



सत्यमेव जयते
Ministry of Defence
Government of India

REQUEST FOR PROPOSAL

BY

MINISTRY OF DEFENCE

GOVERNMENT OF INDIA

FOR PROCUREMENT OF

**QUANTITY 180 CANISTER-LAUNCHED ANTI-
ARMOUR LOITER MUNITION (CALM) SYSTEMS
WITH ACCESSORIES THROUGH FAST TRACK
PROCEDURE UNDER CATEGORY BUY(INDIAN)**

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The contents of this RFP must not be disclosed to unauthorised persons and
must be used only for the purpose of submission of Bids.

This document contains 87 pages including cover page and Appendices.

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 Mechanised Infantry
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 Integrated HQ of MoD (Army)
 New Delhi-110011

File No: A/36830/EP/GS/LOITER/MECH-8 **22 Nov 2022**

To,

REQUEST FOR TECHNICAL AND COMMERCIAL PROPOSAL FOR QUANTITY
180 CANISTER-LAUNCHED ANTI-ARMOUR LOITER MUNITION (CALM)
SYSTEMS WITH ACCESSORIES UNDER EMERGENCY PROCUREMENT
THROUGH FAST TRACK PROCEDURE (FTP)

CATEGORY: BUY(INDIAN)

Dear Sir/Madam,

1. The Ministry of Defence, Government of India, intends to procure Quantity 180 Canister-Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories and seeks participation in the procurement process from prospective Bidders subject to requirements in succeeding paragraphs.

Synopsis

2. **Broad Description of Equipment/System.** Canister-Launched Anti-Armour Loiter Munition (CALM) System with Accessories should provide the Mechanised Infantry and Armoured units capability to undertake remote controlled / unmanned actions at beyond visual range / stand-off ranges of up to 15 km to destroy enemy's Armoured Fighting Vehicles with a HEAT warhead as per Operational Requirements given in this RFP. There should be provision to launch from an AFV at least one Loiter Munition (LM) from its canister and the fitment should not restrict traverse and elevation of Main Gun of the parent AFV. The Ground Control Station (GCS) should be rugged with provision to control LM from at least 500 metres from parent AFV.

3. The salient aspects and Time-lines of the acquisition are tabulated below. In case of any variation in the details furnished below or in any Annexure(s) with that mentioned in the RFP, information furnished in the main body of the RFP at referred Paragraph is to be followed.

| Ser No | Description | Details | Reference Para of the RFP |
|--------|---|--|---|
| (a) | Equipment/ System required | Canister-Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories | - Heading of Cover Note - Para 2 Part-I & Para 27 & 28 Part-II |
| (b) | Quantity Required | (i) 180 LMs with HEAT Warhead (ii) 45 GCS with antenna system (iii) 14 Indoor Simulators (iv) 14 Training LMs with inert warhead (v) Miscellaneous Accessories including Technical Literature, Training Aggregates and associated ESP / SMT / STE. | Para 8 & 9 Part-I |
| (c) | Categorisation of Procurement | Buy (Indian) | - Cover page & heading of cover note. - Para 7 Part-I |
| (d) | Minimum IC Content required | 60% | Para 7 Part-I |
| (e) | Place(s) of Delivery | Central Ammunition Depot (CAD) Pulgaon, Maharashtra | Para 9 Part-I. Para 48 Part-III & Appx-G |
| (f) | Warranty Period | 36 Months | Para 12 Part-I |
| (g) | EMD Amount | ₹70 Lakhs | Para 21 Part-I |
| (h) | Last date for submission of Pre-bid queries | 02 Dec 2022 1430 hours | Para 23 Part-I |
| (j) | Date and time for Pre-bid meeting | 05 Dec 2022 1430 hours | Para 24 Part-I |
| (k) | Last date and time for Bid Submission | 13 Dec 2022 1430 hours | Para 25 Part-I |

4. This Request for Proposal (RFP) consists of following four parts:-

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| (b) | Part II - Technical Requirements | 14 - 19 |
| (c) | Part III – Commercial Requirements | 20 |
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5. The Government of India invites responses to this request only from Original Equipment Manufacturers (OEM) or Authorised Vendors subject to the condition that in cases where the same equipment is offered by more than one of the aforementioned parties, preference would be given to the OEM.
6. The end user of the equipment is the Indian Armed Forces.
7. This RFP is being issued with no financial commitment; and the Ministry of Defence reserves the right to withdraw the RFP and change or vary any part thereof or foreclose the procurement case at any stage. The Government of India also reserves the right to disqualify any Bidder should it be so necessary at any stage on grounds of National Security.
8. This RFP is non-transferable.
9. In addition to various Appendices and their Annexures, attached with this RFP, reference to various paragraphs of DAP-2020 has been made in the RFP. The DAP-2020 is an open domain document that is available at Gol, MoD website www.mod.nic.in.
10. **The receipt of the RFP may please be acknowledged.**

Yours faithfully



(Rishi Deora)
Colonel
Member Secretary
for Chairman
Empowered Committee

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DISCLAIMER

1. This RFP is neither an agreement and nor an offer by the MoD to the prospective Bidders or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in submitting their proposals pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by the MoD in relation to the Project. This RFP document and any assumptions, assessments and statements made herein do not purport to contain all the information that each Bidder may require. The Bidder shall bear all its costs associated with or relating to the preparation and submission of proposal pursuant to this RFP. Wherever necessary, MoD reserves the right to amend or supplement the information, assessment or assumptions contained in this RFP. The MoD reserves the right to withdraw the RFP or foreclose the procurement case at any stage. The issuance of this RFP does not imply that the MoD is bound to short-list a Bidder for the Project. The MoD also reserves the right to disqualify any Bidder should it be so necessary at any stage on grounds of National Security.

PART I – GENERAL REQUIREMENTS

1. This part consists of the general requirement of the Goods (also referred as equipment/systems/deliverables) and Services, hereafter collectively referred as 'Deliverables', the numbers required, the time frame for deliveries, conditions of usage and maintenance, requirement for training, Engineering Support Package (ESP) and warranty/guarantee conditions, etc. It includes the procedure and the date & time for submission of bids.

Non-Disclosure

2. The Bidding documents, including this RFP and all attached documents provided by the MoD, are and shall remain or become the property of the MoD. These are transmitted to the Bidders solely for the purpose of preparation and the submission of a proposal in accordance herewith. Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their proposal. The provisions of this Para shall also apply mutatis mutandis to Bids and all other documents submitted by the Bidders, and the MoD will not return to the Bidders any proposal, document or any information provided along therewith (except unopened Commercial Bid and EMD, as relevant).

3. Information relating to the examination, clarification, evaluation and recommendation for the Bidders shall not be disclosed to any person who is not officially concerned with the process, or concerning the Bidding Process. The MoD will treat all information, submitted as part of the Bid, in confidence and will require all those who have access to such material to treat the same in confidence. MoD may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/ or MoD or as may be required by law or in connection with any legal process.

4. **Confidentiality of Information.** No party shall disclose any information to any 'Third Party' concerning the matters under this RFP generally. In particular, any information identified as 'Proprietary' in nature by the disclosing party shall be kept strictly confidential by the receiving party and shall not be disclosed to any third party without the prior written consent of the original disclosing party. This clause shall apply to the sub-contractors, consultants, advisers or the employees engaged by a party with equal force.

Business Eligibility

5(a) **Undertaking by Bidders.** The Bidder will submit an undertaking that they are currently not banned / debarred / suspended from doing business dealings with Government of India / any other government organisation and that there is no investigation going on by MoD against them. In case of ever having been banned / debarred / suspended from doing business dealings with MoD/any other government organization, in the past, the Bidder will furnish details of such ban / debarment along with copy of government letter under which this ban / debarment / suspension was lifted / revoked. The Bidder shall also declare that their sub-

contractor(s)/supplier(s)/technology partner(s) are not Suspended or Debarred by Ministry of Defence. In case the sub-contractor(s)/supplier(s)/ technology partner(s) of the Bidder are Suspended or Debarred by Ministry of Defence, the Bidder shall indicate the same with justification for participation of such sub-contractor(s)/supplier(s)/ technology partner(s) in the procurement case.

5(b) Subsequent to submission of bids if any sub-contractor(s)/ supplier(s)/ technology partner(s) of the Bidder is Suspended or Debarred by Ministry of Defence, the Bidder shall intimate the Ministry of Defence regarding Suspension or Debarment of its sub-contractor(s)/ supplier(s)/technology partner(s) within two weeks of such order being made public.

6. **Pre-Qualification Criteria {for multi-vendor cases in Buy (Indian) cases}**. The detailed Pre-Qualification criteria for the Bidders for participation in the instant procurement case are placed at **Appendix K** to this RFP. All Bidders are to submit details as per the criteria along with the Technical Bids. These would be evaluated by the TEC.

7. **Indigenous Content**. For the purposes of this RFP and the acquisition contract (if any) signed by the Ministry of Defence with a successful Bidder, indigenous content shall be as defined under Para 8 to 12 of Chapter I and Para 1 of Appendix B to Chapter I of DAP-2020. In addition, reporting requirements for prime (main) Bidders (and for sub-contractors/suppliers/technology partners reporting to higher stages/tiers) shall be as prescribed under Para 4 to 7 of Appendix B to Chapter I of DAP-2020. The right to audit Bidder/ sub-contractors/ suppliers/ technology partners shall vest in the Ministry of Defence as prescribed under Para 10; and aspects of delivery, certification, payments, withholding of payments and imposition of penalties shall be as prescribed under Para 11 to 15 thereof. Furthermore, Bidders in 'Buy (Indian)' will be required to submit their indigenisation plan in respect of indigenous content as stipulated in Para 4 to 7 of Appendix B to Chapter I and Para 39 of Chapter II of DAP 2020. The DAP 2020 is available at MoD, Gol website (www.mod.nic.in) for reference and free download.

8. **Year of Production**. Deliverables [including **Quantity 180 Canister Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories**] supplied under the contract should be of latest manufacture i.e manufactured after the date of Contract with unused components/assemblies/sub-assemblies, conforming to the current production standard and should have 100% of the defined life at the time of delivery. Deviations, if any, should be clearly brought out by the Bidder in the Technical Proposal.

9. **Delivery and Installation Schedule**. The delivery schedule of equipment and services along with the relevant payment stages is specified at **Annexure V to Appendix G**. The entire ESP, except MRLS is required to be supplied with first lot of delivery of main equipment. Manufacturer Recommended List of Spares (MRLS) is required to be supplied six months prior to expiry of warranty period. The delivery of the equipment including fitment on AFVs will be completed within 12 months from the date of signing of contract as per the under mentioned schedule:-

| S No | Delivery Schedule (in Months) | Deliverables (Qty) CALM System with Accessories | <u>Remarks</u> |
|------|---------------------------------------|--|--|
| (a) | T ₀ to T ₀ + 12 | (i) 180 LMs with HEAT Warhead (ii) 45 GCS with antenna system (iii) 14 Indoor Simulators (iv) 14 Training LMs with inert warhead (v) Miscellaneous Accessories including Technical Literature, Training Aggregates and associated SMT / STE. | (i) Ultimate consignee – CAD Pulgaon (ii) T ₀ is date of signing of contract (iii) Fitment on AFVs to also be completed by T ₀ + 12 months. (iv) Part dispatch is permitted. However, each lot should not be less than 30 CALM with HEAT warhead and 07 GCS along with associated accessories. (v) Entire qty of Indoor Simulators, Training LMs with inert warhead, Technical Literature, Training Aggregates is required to be supplied with first lot of delivery of main equipment. |
| (b) | Total | 180 LMs with HEAT warhead & 45 GCS with accessories | |

Notes.

- (i) Manufacturers Recommended List of Spares (MRLS). All consumables and spares required for scheduled maintenance and servicing (as per Maintenance Philosophy of Seller) during the warranty period will be the responsibility of the Seller.
- (ii) MRLS for two years post warranty will be delivered at least six months before termination of warranty and should consist of entire range of spares.
- (iii) Entire ESP with relevant SMT/STEs (less MRLS) to be delivered with first batch/lot.
- (iv) Technical Literature & Training Aggregates. The entire quantity including Indoor Simulators and Training LMs to be delivered with first batch/lot of equipment.

10. Once the contract is concluded and the delivery schedule is established, the Bidder shall adhere to it and ensure continuity of supply of deliverables and their components under the contract.

11. **Preservation.** The deliverables supplied (Quantity 180 Loiter Munitions with HEAT warhead) are to be preserved for 10 years post JRI. In case, JRI necessitates unpacking to the extent that the preserved life of the deliverables is affected, Bidder is to undertake re-packing to restore the preserved life to the specified period at his own cost.

12. **Warranty.** The deliverables supplied shall carry a warranty for **36 months**. Commencement of warranty will be from the date of acceptance post JRI. Warranty Clause is given at **Appendix C** to this RFP.

13. **In Service Life/ Shelf Life.** The In Service/Shelf Life of the deliverables will be at least 10 years for LM in storage conditions, at least 15 years for GCS and at least 15 years for Simulator. In case of shelf life, the relevant storage conditions should be clearly specified. The Bidder is required to give details of reliability model, reliability prediction and its validation by designer/manufacturer to ensure reliability of stores throughout Service/shelf life. The efficacy of reliability model/ prediction/ validation would be verified during technical and environmental evaluation as indicated in Para 39 of this RFP.

14. **Product Support.** The Bidder would be bound by a condition in the contract that he is in a position to provide product support in terms of maintenance, materials and spares for a minimum period of 15 years. Even after the said mandatory period, the Bidder would be bound to give at least two years notice to the Government of India prior to closing the production line so as to enable a Lifetime Buy of all spares before closure of the said production line. This, however, shall not restrict the Buyer from directly sourcing sub-equipment/sub-assembly and spares from their respective OEMs/sub-vendors on completion of warranty. In case the sub-equipment/sub-assembly/parts require tuning/calibration/integration by the Bidder prior replacement, the same is to be undertaken by the Bidder at fair and reasonable cost, as mutually agreed between Buyer and Bidder.

15. **Codification.** The Bidder agrees to provide existing NATO Stock Numbers (NSNs) of OEM for each item supplied under the contract as per part list (including MRLS). In case, the NSNs are not available, the bidder agrees to codify using basic technical characteristics as required for codification in consultation with MoD/Directorate of Standardisation. In case of IPR issues, codification will be undertaken as Type IV codification (where only the manufacturer details and part number are to be provided).

16. **Obsolescence Management Plan.** An actionable obsolescence management plan is to be proposed by the Bidder along with the mechanism for intimation of notification of obsolescence. The modalities of the mechanism for intimation of notification would be deliberated during CNC. The mutually agreed mechanism for intimation would form an integral part of the contract. All upgrades and modifications carried out on the equipment during its life cycle must be intimated to CD Directorate (CD-15(B)) and ADG MECH INF, IHQ of MoD (Army), Government of India as per the agreed mechanism.

17. **Training of Operator, Maintenance, Ordnance and QA Personnel.** A training package for training of operators, maintenance personnel, personnel of Ordnance handling ammunition and DGQA personnel undertaking PDI would be required to be carried out by SELLER in Hindi / English language. The Seller/ Bidder would provide the following training to the personnel of the Buyer based on agreed terms of contract :-

- (a) **Operator Training.** Operator training for **15 days** duration (in working days), for **30 Personnel** in **two batches** is to be provided at Seller premises. The said training should be completed before JRI of the first lot / batch. Training to include following aspects from operator's/ crew point of view:-
- (i) Preventive maintenance.
 - (ii) Pre / post launch checks & preparations.
 - (iii) GCS operations including feeding new maps, location coordinates, antenna set-up etc.

- (iv) Launch and control of LM including attack, abort and recover.
- (v) Fault finding & correction including do's & dont's etc.
- (vi) Each trainee to be given actual experience in physical launch, flying & control of LM. Flying duration to be decided mutually between Seller and Buyer at time of contract.
- (vii) A training movie/ video with titles including stepwise use of CALM system from operator's point of view should also be handed-over for reference in future.

(b) **Repair and Maintenance Training.** Maintenance training for **15 days** duration (in working days), for **10 Personnel** in **one batch** (@ two "Master Technician Communication" per Repair Point) at MCEME Secunderabad, Telangana is to be undertaken for Field Level (O-Level) repairs and maintenance. The said training should be completed **within six months prior to expiry of warranty** and should include the following:-

- (i) The above training should meet the needs of repair and maintenance of the complete equipment, use of SMTs/ STE, test set up, assemblies/ sub-assemblies as per the stipulated repair philosophy. In addition to training on operation and diagnosis using STEs, training would also cover repair of STEs using procured spares for STEs.
- (ii) Training content should commensurate with the Permissible Repair Schedule (PRS).
- (iii) The trained personnel should be able to vet the MRLS to align it to actual on ground requirement. The training should bring out utilization of provided MRLS items including procedure of their fitment/ repair.
- (iv) A movie/ video should be made of entire training class with titles for reference in future. Movie should also include stepwise use of SMTs/ STEs.

(c) **DGQA Training.** Training for QA personnel as per scope mentioned in Para 41 of RFP for **05 personnel** in **one batch** are to be undertaken in Seller premises prior to conduct of PDI. Seller to provide the duration (working days) for training as per defined scope, in the Technical Bid.

(d) **Ordnance Training.** Training for Ordnance personnel for **05 personnel** in **one batch** is to be undertaken at Consignee Depot/ Seller Location before conduct of JRI. Seller to provide the exact duration (working days) for training as per defined scope, in the Technical Bid.

(e) **Syllabus.** The syllabus will be defined and submitted by the Seller in consultation with the Buyer at the time of Contract. The training will be imparted to the satisfaction of the Buyer, and Seller will ensure that the training content and period will be to impart working proficiency up to the required level. The Buyer may add-on content in the syllabus, if needed.

(f) **Training Aids.** All training requirements such as training LMs, GCS, training aids, projection system, complete equipment with accessories / optionals, technical literature, spares, test equipment / test set up, charts, training handouts, presentations, Computer Based Training (CBT), Documentation, Simulators etc will be catered by the Bidder/Seller.

(g) Details of training to be carried out is tabulated as under:-

| <u>Ser No</u> | <u>Directorate</u> | <u>Location</u> | <u>Duration (Days per batch)</u> | <u>Total No of Personnel</u> | <u>Remarks</u> |
|---------------|------------------------------------|--------------------------|---|------------------------------|--|
| (i) | Operator Training | Seller premises in India | 15 Days (before JRI) | 30 (in two batches) | For User Units. Aspects as per para (a) above to be covered including physical launch, flying & control of LM to be provided to each trainee operator. |
| (ii) | Repair & Maintenance Training | MCEME Sec'bad, Telangana | 15 Days (six months before expiry of Warranty) | 10 EME Personnel | For Field Level Repair by EME. Aspects as per para (b) above to be covered. |
| (iii) | DGQA (Quality Assurance Personnel) | Seller Premises in India | 05 Days (before PDI) | 05 QA Personnel | For QA agency undertaking PDI. Aspects as per para (c) above to be covered |
| (iv) | Ordnance (Maintenance Personnel) | Depot / Seller Premises | 05 Days (before JRI) | 05 Personnel | For Ordnance personnel handling and maintenance of LM at Depot Location. |

18. **Government Regulations.** It may be confirmed that there are no Government restrictions or limitations in the country of the Bidder or countries from which subcomponents are being procured and/or for the export of any part of the deliverables being supplied.

19. It may be further confirmed that all national and international obligations relevant to transfer of conventional arms of the country of the supplier or countries from which parts and components are being procured, have been taken into account for the duration of the contract. Accordingly, thereafter there would be no review, revocation or suppression of Defence export licence and other related clearance issues to the supplier for the contract that could impinge on the continuity of supply of items and their parts or components under the contract.

20. **Patent Rights.** The Bidder should confirm that there are no infringements of any Patent Rights in accordance with the laws prevailing in their respective countries.

21. **Integrity Pact.** In the subject RFP, the Bidder is required to sign and submit Pre-Contract Integrity Pact (PCIP) given at **Annexure I to Appendix J** to this RFP and shall also deposit ₹70 Lakhs as Earnest Money Deposit (EMD) through any of the instruments mentioned therein. This would be submitted in a separate envelope

clearly marked as 'IP and EMD' at the time of submission of Technical and commercial offers.

22. **Fall Clause.** If the equipment being offered by the Bidder has been supplied/contracted with any organisation, public/private in India, the details of the same may be furnished in the technical as well as commercial offers. The Bidders are required to give a written undertaking that they have not supplied/is not supplying the similar systems or subsystems at a price lower than that offered in the present bid to any other Ministry/Department of the Government of India and if the similar system has been supplied at a lower price, then the details regarding the cost, time of supply and quantities be included as part of the commercial offer. In case of non-disclosure, if it is found at any stage that the similar system or subsystem was supplied by the Bidder to any other Ministry/Department of the Government of India at a lower price, then that very price, will be applicable to the present case and with due allowance for elapsed time, the difference in the cost would be refunded to the Buyer, if the contract has already been concluded.

Bid Time-lines

23. Any queries/clarifications to this RFP may be sent to this office by 1430 hours on **02 Dec 2022** at the following address:-

**Additional Directorate General of Mech Inf
General Staff Branch/MECH-8
Integrated HQ of MoD (Army)
Room No 528 'A' Wing, Sena Bhawan,
DHQ PO, New Delhi - 110011
Tele – 8929685517 / 7080394411
Email: AMIMAT.03315@GOV.IN**

24. **Pre-Bid Meeting.** A pre-bid meeting will be organised by SHQ at 1430 hours on **05 Dec 2022** through Video Conference to answer any queries or clarify doubts regarding submission of proposals. The Bidder or his authorised representative is requested to attend. Necessary details may be sent in advance to ADG MECH INF/MECH-8, to facilitate obtaining of security clearance.

25. **Submission of Bids.** The Technical and Commercial Proposals along with IP and EMD should be sealed separately in three separate envelopes clearly indicating Commercial/ Technical/ IP and EMD, as applicable, and then put in one envelope and sealed (**all the envelopes should clearly state the letter No of RFP and the name of equipment and Bidder name**) and submitted to the undersigned at the following address by 1430 hours on **13 Dec 2022**:-

**Additional Directorate General of Mech Inf
General Staff Branch/MECH-8
Integrated HQ of MoD (Army)
Room No 528 'A' Wing, Sena Bhawan,
DHQ PO, New Delhi - 110011
Tele – 8929685517 / 7080394411**

26. Offer opening by an Offer Opening Committee will be held at 1430 hours on **14 Dec 2022** at the same venue as indicated at Para 25 above. The Bidder or his authorised representative is welcome to be present at the opening of the proposals. Necessary details may be sent at least one week in advance to facilitate obtaining of security clearance.

PART II – TECHNICAL REQUIREMENTS

27. The second part of the RFP incorporates the aspects of SQRs describing the technical parameters of the proposed CALM System and the environmental parameters for functioning. The operational characteristics and features that should be met by the equipment are elucidated at **Appendix A** to this RFP and the Compliance Table at **Appendix B** to this RFP. The Bidder would be required to offer the equipment for Demonstration on a “No Cost No Commitment” basis.

28. **Operational Characteristics and Features.** The broad operational characteristics and features that are to be met by the proposed CALM System are elucidated at **Appendix A** to this RFP.

29. **Technical Offer.** The Technical Offer must enable detailed understanding of the functioning and characteristics of the equipment as a whole and each sub system independently. It must include the performance parameters as listed at **Appendix A** to this RFP and any other information pertaining to the technical specifications of the equipment considered important/ relevant by the Bidder. The technical proposal should also include maintenance schedules to achieve maximum life and expected life of each assembly/sub-assembly (or Line Replaceable Unit (LRU)/Shop Replaceable Unit (SRU)), storage conditions/environment condition recommended and the resultant guaranteed in-service/shelf life. The range and depth of spares included in the proposal should be supported by necessary reliability and prediction model or authenticated by past data on the similar equipment in use. Any Bidder found to be providing lesser ESP/MRLS in terms of range and depth will have to make good the deficiency at **no extra cost**.

30. If there is any associated optional equipment on offer that should also be indicated separately along with the benefit that are likely to accrue by procuring such optional equipment. Should the Bidder be contemplating any upgrades or modifications to the equipment being offered, the details regarding these should also be included in the Technical Proposal.

31. **Technical Details.**

(a) The technical details should be factual, comprehensive and include specifications of the offered system/equipment against broad requirements listed in **Appendix A** to this RFP.

(b) Insufficient or incomplete details may lead to rejection of the offer. Mere indication of compliance may be construed as incomplete information unless system’s specific technical details are available in the offer. A format of the compliance table for the technical parameters and other conditions of RFP is attached as **Appendix B** to this RFP.

32. The technical offer should have a separate detachable compliance table as per format given at **Appendix B** to this RFP stating specific answers to all the parameters as listed at **Appendix A** to this RFP. It is mandatory to append answers to all the parameters listed in **Appendix A** to this RFP. **Four copies** of the Technical

Proposal should be submitted (along with one soft copy), however only one copy of the commercial proposal is required.

33. **Malicious Code Certificate.** The Bidder is required to submit a 'Malicious Code Certificate' (*only for Electronic items and Software*) along with the Technical Proposal. The format is placed at **Appendix D** to this RFP.

34. **Demonstration.** The Bidder is requested to confirm willingness to provide the equipment for demonstration in India on "No Cost No Commitment" basis when so requested. The Buyer, at his own expense, will depute its representatives for the Demonstration. If any part of the Demonstration is conducted in the Buyer's facilities, the Bidder shall depute his personnel and equipment at his own expenses and bear the cost of all expenses of demonstration other than the cost of ranges, platform or facilities which the Buyer may choose to provide free of cost.

35. **Product Support (ESP/ LCSC).** After induction, the equipment/system would be repaired and maintained as per the repair and maintenance philosophy at **Appendix E** to this RFP. The information on Engineering Support Package that is required to be provided is enclosed at **Annexure I to IV to Appendix E** to this RFP. Product support beyond 'O' level will be undertaken by maintenance & repair facility set up by the Seller. LCSC as per Para 12 & 13 of Appx 'K', Chapter II of DAP 2020 will be a component of Product Support. The details of LCSC proposal, must also be submitted separately by the Bidder with technical aspects being included in the Technical Offer and commercial aspects of LCSC being included in the Commercial Offer. The Bidder would have to submit the complete Illustrated Spare Parts List (ISPL) of equipment (not limited to MRLS) along with complete Repairable Parts list (in soft-copy) in the Technical Offer. The complete Spare Parts Price Lists, Repairs Price Lists and Man-day Rates of Specialists would have to be submitted in the Commercial offer.

36. **Spares.** The spares requirement will be as per **Appendix E** to this RFP. The spares are required to be categorized in four categories as follows: -

- (a) Manufactured by Bidder as OEM and can be sourced as per Part No.
- (b) Bought out items and customized by the OEM for the specific purpose and such customization would require OEM intervention.
- (c) Bought out from other OEMs/Third Party as specialised items and used without any customization. Such items can be sourced by quoting their Part No./Identification No. as given by OEM/Third Party and directly utilised.
- (d) General Engineering items/COTs which can be sourced by stating the relevant standards and item description.

37. As brought out at Para 29, the range and depth of spares included in the proposal should be supported by necessary reliability and prediction model or authenticated by past data on the similar equipment in use. Any Bidder found to be providing lesser ESP/MRLS in terms of range and depth will have to make good the deficiency at no extra cost. The revised list of MRLS to this effect is to be submitted prior Staff Evaluation. The Buyer would also have the option to amend the MRLS proposed by the Bidder within **two years** of the expiry of the warranty period. The

Bidders would either 'Buy Back' the spares rendered surplus or exchange them on cost-to-cost basis with the spares as required by the Buyer. The said spares would be purchased/ replaced by the Bidder, based on the prices negotiated in the contract.

38. **Active Technology Obsolescence Management.** Bidder is to indicate the methodology on how the Bidder intends to undertake Active Obsolescence Management through life cycle of equipment which would include up-gradation of system/ subsystem/ units on completion of its fair service life. The Bidder/OEM shall also intimate Buyer on likely technology obsolescence of various sub-assemblies/units/modules of equipment through an Annual Bulletin. In case of impending obsolescence of components, bulletin should specify either alternate item or option for life-time buy as under: -

(a) The Bidder/OEM will notify the Buyer not less than two years before the closure of its production line about the intention to close production of equipment for provision of purchasing spare parts, before closure of the said production line.

(b) Three years prior to completion of design/service life of equipment, the Bidder/OEM will submit techno-commercial proposal for up-gradation of equipment, wherever applicable, to mitigate technology obsolescence and for ensuring product support for next 15 years.

Evaluation of Technical Offers

39. The Technical Offer submitted by the Bidder will be evaluated by the Empowered Committee (EC) to confirm that the equipment being offered meets the Essential Parameters as elaborated at **Appendix A**. Thereafter, the Bidder of the short-listed equipment would be asked to demonstrate quantity one complete equipment (i.e. GCS – one, LM with HEAT warhead – two, LM with inert warhead - two and associated accessories) as per Demonstration Methodology given at **Appendix F** to this RFP, in India at 'No Cost No Commitment' basis.

40. Commercial offers will be opened only of Bidders whose equipment is short-listed, after demonstration and have been accepted technically. In other words, the equipment would be required to be **demonstrated** and **found suitable prior to commencement of any commercial negotiations**. CALM System with complete accessories of all successful companies will be kept under custody of Buyer till completion of CNC and for L-1 Bidder till completion of JRI.

Quality Assurance Instructions & Technical Evaluation Plan

41. Bidder is to submit a Draft Acceptance Test Procedure (ATP) along with the Technical Bid. Based on the draft ATP, the ATP will be finalised by the Buyer's QA agency with Bidder at the CNC stage. ATP shall be included in the Contract at the time of finalisation with successful bidder. ATP will lay down the tests to be carried out during Pre-Dispatch Inspection (PDI), Joint Receipt Inspection (JRI) and Final Acceptance. It shall be ensured that there is no repetition of tests in PDI and JRI. The JRI would normally be restricted to quantitative checks only, except where check

proof is required to be carried out. In case PDI/JRI are planned to be conducted by authorised Third Party Inspection (TPI) Agencies, the same will be spelt out in the QA instructions and the details included in the finalised ATP. Sample quantity for PDI will be mentioned in ATP and the same would be at Buyers Cost i.e. from the Buyers Pool / quantity being delivered. In case, additional quantities than those mentioned in the ATP, are required during PDI due to failure of the laid down quantity or desired by Seller or any reason not attributable to Buyer / QA agencies, the same will be provided for by the vendor at the Seller's cost, over and above the quantities to be delivered. The successful Bidder would also be required to provide that test facilities/ test equipment at OEM premises/ accredited laboratories for PDI/ ATP which are not available with QA agencies. Details of the same will be intimated to the Bidder during finalisation of ATP. Guidelines for framing Draft ATP are at **Appendix L**.

Marking and Packaging

42. Each GCS and its accessories should have dedicated logistic container(s) with provision to enable carriage by one human in field conditions. At time of delivery, a maximum of four GCS with accessories could be further packed in outer boxes/containers made of steel/ durable material for ease of transportation. The ammunition i.e LM with HEAT warhead and inert warhead should be packed in hermetically sealed containers. These could be further packed in outer boxes/containers made of steel/ durable material for ease of transportation. The packages should be marked with legible ink, give the details of ammunition, lot No, year of manufacture, quantity etc and UN Hazard Division labels as normally done for ammunition. It is mandatory that all packing materials of any kind made of plant origin used for packing shall require treatment including Heat-Kiln treatment at 56 degrees centigrade for a minimum 30 hours Methyl Bromide Fumigation at 48g/cum for 32 hours of Chemical impregnation of wood with wood preservatives such as copper chrome arsenic or any other approved treatment as per international standards. If Shipment coming into India shall be packed in packaging material conforming to this standard and shall carry a Phytosanitary Certificate issued by an authorized officer at the country of origin of the consignment in the format prescribed under International Plant Protection Convention of the Food and Agriculture Organisation. It may also be that consignments dispatched without the aforesaid certificate can be detained by the concerned officers of the customs unless clearance is obtained from the Quarantine Authorities at the expense of the imposter. 'Packing Material' here means any kind of material of plant origin used for packing which shall include hay, straw, wood savings, wood chips, saw dust, wood waste, wooden pallets, dunnage/mats, wooden packages, coir pith, peat or sphagnum moss etc.

43. One copy of the packing list in English shall be inserted in each cargo package, and the full set of the packing list shall be placed in case No 1 painted in a yellow colour and to have the following:-

- (a) Part Number.
- (b) Nomenclature.
- (c) Contract annex number.
- (d) Annex serial number.
- (e) Quantity contracted.

44. The seller shall mark each package with indelible paint in the English language as follows:-

- | | | |
|---|---|----------------|
| <ul style="list-style-type: none"> (a) EXPORT (b) Contract No (c) Consignee (d) Port/Air Port of destination (e) Ultimate consignee (f) SELLER (g) Package No (h) Gross/Net weight (j) Overall dimensions/volume (k) The Seller's Marking | } | as applicable. |
|---|---|----------------|

45. If necessary, each package shall be marked with warning inscriptions: <Top>, "Do not turn over", category of cargo etc.

46. Should any, special equipment be returned to the Seller by the Buyer, the latter shall provide normal packing, which protects the equipment and spares/goods from the damage of deterioration during transportation by land, air or sea. In this case the Buyer shall finalise the marking with the Seller.

Packing, Marking and Stencilling.

(a) **Packing.** Suitable packing arrangements should be provided for transportation and storage without causing any damage to GCS, Accessories and LMs. The LMs should be packed in hermetically sealed containers. These containers could be further packed in outer boxes/containers/crates made of steel and further palletised for the ease of handling and transportation by MHEs. The package marking should be legible, giving all relevant details of ammunition as given under the following Marking clause will form part of the contract placed on successful Bidder: -

(b) **Marking and Stencilling.** Marking shall give the details of ammunition type, lot No, year of manufacture, quantity, Hazard indication. **Wooden/metal case** shall be labelled with UN Hazard Division labels and Compatibility Group. **Boxes are painted** with Olive Green/Drab and bear stencilling in Golden Yellow colour to show marking as follow: -

(i) **Marking on Ammunition.** Each munition shall be permanently marked by a **head stamp impressed, stamped or embossed** identifies the **manufacturer**, the **country** and **year of manufacture**, and a **unique batch/lot number**.

(ii) **Head Stamp.**

(aa) Shall consist of simple **geometric symbols** indicating "Standard" **e.g. NATO or otherwise**.

(ab) Symbol indicating the **country** and **year of manufacture** in symbol/numeric form or alphanumeric code.

(ac) Symbol indicating the presence of a tracer combination with a numeric and/or alphanumeric code.

(ad) Head stamp markings to be of a size that is readily legible to the naked eye.

(ae) Head stamp markings to be of a quality and/or depth such that the markings cannot be readily tampered with or removed.

(c) **On Wooden/ Metal/ Plastic Boxes.** Wooden/ Metal/ Plastic Boxes will be painted with Olive Green and bear stencilling in Golden Yellow colour to show marking as follow:-

- (i) Calibre
- (ii) Type of Ammunition
- (iii) Qty Packed
- (iv) Lot No
- (v) Manufacturer's initials/Month and year of manufacture of ammunition/ mine.
- (vi) Case (Package) No. No./No
- (vii) Gross/Net weight of the case with CALM.
- (viii) UN Hazard Division labels.
- (ix) Compatibility Group.

(d) **RFID Tagging.** In case **Percussion Initiated Ammunition** is being supplied, the same has to be RFID tagged confirming to the prevalent international standards. Bidder will have to ensure that technical details/ specifications, applications, processes at ammunition factory, Serial Shipping Container Code (SSCC), encoding, Electronic Product Code (EPC) regarding RFID tagging on ammunition boxes are compliant to laid down standards of the Indian Army. For obtaining EPC manager license or for implementation support, the following personnel may be contacted: -

GSO-1 OS-6 (Ammunition)

Ordnance Services (OS) Directorate, MGS Branch

Sena Bhawan, Army DHQ P.O. HQ New Delhi 110011

Phone: 011-23019575, 7309011688

PART III - COMMERCIAL REQUIREMENTS

47. The third part of the RFP consists of the commercial clauses and Standard clauses of contract. The bidders are required to give confirmation of their acceptance of these clauses.

Commercial Bid

48. The Bidder is requested to take into consideration the **Commercial Clauses and Payment Terms** given at **Appendix G** to this RFP while formulating the Commercial Offers. The bidders are required to quote their price in Price bid format given in **Appendix H** to this RFP.

49. Commercial offers will be opened only of the Bidder whose equipment is short-listed, after successful compliance to OR as per Demonstration Methodology. The Commercial Offer must be firm and fixed and should be valid for at least 06 months from the last date of bid submission.

Commercial Bid Opening

50. The Commercial Offers will be opened by the Empowered Committee (EC) and if Bidder desires, he may depute his representative, duly authorised in writing, to be present at the time of opening of the offers. The date, time and venue fixed for this purpose will be intimated separately after the evaluations are completed.

51. The EC will determine the lowest bidder (L1).

Additional Aspects

52. **Standard Conditions of RFP.** The Government of India desires that all actions regarding procurement of any equipment are totally transparent and carried out as per established procedures. The bidder is required to accept our standard conditions furnished at **Appendix J** to this RFP regarding Agents, penalty for use of undue influence and Integrity Pact, access to books of accounts, arbitration and clauses related to Law. These conditions along with other clauses of the Contract form the Standard Contract Document (as at **Chapter VI** of DAP 2020) indicates the general conditions of contract that would be the guideline for all acquisitions. The draft contract would be prepared as per these guidelines.

PART IV: BID EVALUATION AND ACCEPTANCE CRITERIA

53. A list of documents/details to be submitted along with the bids is placed at **Appendix M** as a reference to help in completeness of bid and meeting the procurement process schedule.

54. The bids shall be unconditional and unqualified. Any condition or qualification or any other stipulation contained in the bid shall render the bid liable to rejection as a non-responsive bid.

55. The bid and all communications in relation to or concerning the bidding documents shall be in English language.

56. **Evaluation and Acceptance Process.**

(a) **Evaluation of Technical Proposals.** The technical proposals forwarded by the Bidders will be evaluated by the Empowered Committee (EC). The EC will examine the extent of variations/differences, if any, in the technical characteristics of the equipment offered by various Bidders with reference to the ORs and prepare a "Compliance Statement" for short-listing the Bidders. The short-listed Bidders shall be asked to demonstrate the equipment to EC or BOO nominated by EC at location and climatic conditions as specified by EC to evaluate compliance of the equipment to ORs as per Demonstration Methodology. Equipment will be short-listed based on successful compliance to OR as per Demonstration Methodology.

(b) **Evaluation of Commercial Bid.** The Commercial bids of only those bidders will be opened, whose technical bids have been cleared by EC and equipment has been short-listed after **successful evaluation of Demonstration**. Comparison of bids would be done on the basis of Evaluation criteria given in **Appendix H** to this RFP. The L-1 bidder would be determined by the Empowered Committee (EC) on the basis of **Appendix H** to this RFP. Only L-1 bidder would be invited for negotiations by EC.

(c) **Contract Conclusion.** The successful conclusion of negotiations will be followed by contract conclusion.

57. **Termination Clause.** This clause will form part of the contract. The Buyer shall have the right to terminate this contract in any of the following cases: -

(a) The delivery of the material is delayed for causes not attributable to Force Majeure for more than six months after the scheduled date of delivery.

(b) The Seller is declared bankrupt or becomes insolvent.

(c) The Buyer has noticed that the Seller has utilised the services of any Indian/Foreign agent in getting this contract and paid any commission to such individual/company etc.

Appendix A
(Refers to Para 27, 28, 29, 30(a), 32 & 39 of RFP)

OPERATIONAL CHARACTERISTICS AND FEATURES

| SN | Parameters | Operational Requirement |
|---|---------------------------------------|--|
| 1. | System Configuration | (a) Canister launched Anti-armour Loiter Munitions (LM) (b) Ground Control Station (GCS) including Antenna System for Communication Link |
| 2. | Launch Altitude | Up to 4500 meters above MSL (High Altitude Area) |
| 3. | Operating & Storage Temp | (a) <u>Minimum</u> : Between (-)15° to (-)5° Celsius. (b) <u>Maximum</u> : Up-to 40° Celsius. |
| <u>Loiter Munitions (LM)</u> | | |
| 4. | Canister | Hermetically sealed canister / tube for each LM |
| 5. | Weight of LM | Up to 25 Kg each LM with canister |
| 6. | Type of launch | Pneumatic/ Gas assisted launch from canister/ tube |
| 7. | Propulsion System | Electric |
| 8. | Operational Range | Up to 15 km from point of launch |
| 9. | Loiter Time | At least 15 minutes at max operational range |
| 10. | Endurance | At least 60 minutes |
| 11. | Flight Modes (Day & Night) | (a) Fly to Coordinate and Loiter over designated area (b) Fly-by-Camera Lock (c) Abort (d) Recover |
| 12. | Attack Modes | (a) Direct Attack (b) Top Attack |
| 13. | Speed of tank target for engagement | At least 30 km/hour |
| 14. | Type of Warhead | High Explosive Anti-Tank (HEAT) |
| 15. | Penetration | At least 500mm RHA |
| 16. | Accuracy | 01-meter CEP or less in Top-Attack Mode |
| <u>Ground Control System (GCS)</u> | | |
| 17. | Operator's Control Unit (OCU) | (a) Rugged & man portable OCU (b) Real-time display & record images/ video sent by LM (c) Inbuilt power backup of at least 2 hours |
| 18. | Antenna system for Communication Link | (a) Digitally encrypted (minimum AES-256) & two-way communication link (b) In case of failure of link, LM to continue task / navigate to parent AFV and execute safe ditching |
| 19. | Map Support | (a) In-built maps including Raster with contours (b) Feasibility to function with DSM & IRNSS/ NavIC |

| SN | Parameters | Operational Requirement |
|--|---------------------|--|
| Fitment on in-service AFV (ICV BMP 2K & Tank T-72 / T-90) | | |
| 20. | Fitment Requirement | (a) Provision to launch at least one LM from AFV (b) Fitment to not restrict traverse and elevation of Main Gun (c) Provision to control LM from at least 500 metres from parent AFV (d) CALM system to be independent for power requirement. |
| 21. | Qty of reserve LMs | At least 03 x Reserve LMs on each System |
| 22. | Qty ready to launch | At least 01 x LM with canister/ tube |
| Miscellaneous Parameters | | |
| 23. | Health Check | Inbuilt BITE |
| 24. | Simulator | Indoor type simulator |
| 25. | Training LM | All specifications same as LM however with inert warhead |
| 26. | Service Life | (a) LM: at least 10 years in storage conditions (b) GCS: at least 15 years (c) Simulator: at least 15 years |

Appendix B
(Refers to Para 27, 31(b) & 32 of RFP)

COMPLIANCE TABLE

For Canister Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories

| Ser No | Requirement as per the RFP | Indicate references of Paras/ Sub Paras of the RFP / Main Document | Will Comply Yes / No | Remarks |
|--|--|--|-------------------------|---------|
| 1. General Conditions of RFP (Para 1 to 57) | | | | |
| | | | | |
| | | | | |
| 2. Technical Parameters as per Appendix A | | | | |
| (a) | Operational Requirements and Features | | | |
| | | | | |
| | | | | |
| 3. Commercial Parameters as per RFP | | | | |
| (a) | Performance-cum-Warranty Bank Guarantee as per Para 2 of Appendix G of RFP | | | |
| (b) | Advance Payment Bank Guarantee as per Para 1.4.1 of Appendix G of RFP | | | |
| (c) | Earnest Money Deposit (EMD) of ₹70 Lakhs as per Para 21 of RFP | | | |
| | | | | |
| | | | | |
| | | | | |

Appendix C
(Refers to Para 12 of RFP)

WARRANTY CLAUSE

1. The SELLER warrants that the goods/ services supplied under this contract conform to technical specifications prescribed and shall perform according to the said Technical Specifications.
2. The **SELLER** warrants for a period of **36 months** (to include spares for which warranty claims are initiated), from the date of acceptance of deliverables post Joint Receipt Inspection (JRI) or from the date of installation and commissioning, whichever is later, that the goods/ stores/ services supplied under this contract and each component used in the manufacture thereof are free from all types of defects/ failures (including latent and patent defects). **No spares will be drawn during the warranty period from the MRLS.** Cost towards all scheduled servicing during the warranty period will be borne by the **SELLER** to include spares.
3. If within the period of warranty, the goods/ stores are reported by the **BUYER** to have failed to perform as per the specifications, the **SELLER** shall **either replace or rectify the same free of charge**, maximum within **30 days**, of notification of such defect by the **BUYER** provided that the goods are used and maintained by the **BUYER** as per instructions contained in the Operating Manual. No spares will be drawn during the warranty period from the MRLS. Warranty of the equipment would be extended by such duration **of downtime**. Record of the downtime would be maintained by user in logbook. Spares and all consumables required for warranty repairs shall be provided free of cost by **SELLER**. The **SELLER** also warrants that the special oils and lubricants required for the warranty repair of the equipment shall be provided by the **SELLER** himself. All activities including diagnosis, rectification, calibration, transportation etc, required for making equipment serviceable and available would be the **SELLER's** responsibility. The **SELLER** also undertakes to diagnose, test, adjust, calibrate and repair/ replace the goods/ equipment arising due to accidents by neglect or misuse by the operator or damage due to transportation of the goods during the warranty period, at the cost mutually agreed to between the **BUYER** and the **SELLER**. The **SELLER** shall intimate the assignable cause of the failures.
4. **SELLER** hereby warrants that necessary service and repair backup during the warranty period, shall be provided by the **SELLER** and he will ensure that the **cumulative downtime period for the equipment does not exceed 10% of the warranty period**. Cost towards all scheduled servicing during the warranty period will be borne by the **SELLER** to include spares.
5. If a particular equipment/ goods fails frequently and/ or, the cumulative downtime exceeds **10%** of the warranty period **or a common defect is noticed in more than 5% of the quantity of goods with respect to a particular item/ component/ sub-component**, that complete item/ equipment shall be replaced free of cost by the **SELLER** within a stipulated period of **120** days of receipt of the

notification from the **BUYER** duly modified/ upgraded through design improvement in all equipment supplied/ yet to be supplied and ESP supplied/ yet to be supplied.

6. **SELLER** shall associate technical personnel of maintenance agency and QA of BUYER during warranty repair and shall provide complete details of defect, reasons and remedial actions for averting recurrence of such defects.

7. In case the complete delivery of the Engineering Support Package is delayed beyond the period stipulated in this contract, then the **SELLER** undertakes that the warranty period for the goods/ stores shall be extended to that extent.

8. The **SELLER** warrants that the goods supplied will conform to the Temperature conditions as mentioned at Appendix A to RFP.

Appendix D
(Refers to Para 33 of the RFP)

CERTIFICATE: MALICIOUS CODE
(To be rendered on the Company Letter head)

1. This is to certify that the Hardware and the Software being offered, as part of the Contract, does not contain embedded malicious code that would activate procedures to:-

- (a) Inhibit the desired and designed function of the equipment.
- (b) Cause physical damage to the user or equipment during the exploitation.
- (c) Tap information resident or transient in the equipment/ networks.

2. The firm will be considered to be in breach of the procurement contract, in case physical damage, loss of information or infringements related to copyright and Intellectual Property Rights (IPRs) are caused due to activation of any such malicious code in embedded software.

(Signed)

Designation/Name/Address of firm

Date:

Place:

Appendix E
(Refers to Para 35 and 36 of
RFP)

PRODUCT SUPPORT

1. **Maintenance Philosophy.** Maintenance of the equipment is structured under different levels. The Maintenance philosophy for Canister-Launched Anti-Armour Loiter Munition (CALM) can be categorised as under: -

(a) **'O' Level.** Includes Unit and Field Repairs.

(i) **Field Repairs.** These are repairs carried out at field level by technicians specially trained for this purpose and where the required special tools and spares have to be provided. These repairs comprise replacement of common Line Replaceable Units (LRUs), sub-modules, other components which may require Special Maintenance Tools (SMTs) supported by diagnostics using Special Test Equipment (STE). The vendor may also include Built in Test Equipment (BITE) facility to identify faults Up-to field level. **Further there will be adequate number of LRUs/ Assemblies to be maintained as Floats which can be replaced at field level to reduce MTTR and can be recycled after intervention/ repairs by Original Equipment Manufacturer.** In total there shall be 05 (Five) field workshops to provide repair cover to quantity - 180 Canister Launched Anti-Armour Loiter Munition (CLAM). The manufacturer is required to provide the following: -

(aa) Quantity and specification of spares up to sub-Module level, other replaceable components that need to be stocked for a specified population and class of the equipment.

(ab) Additional Special Maintenance Tools and Test Equipment needed for each such field work shop.

(b) Post warranty period, the repairs beyond 'O' level repairs will be through a Life Cycle Support Contract (LCSC) as mentioned at Para 12 & 13 below and needs to be signed along-with the main contract.

2. **Engineering Support Package (ESP).** ESP is the basic engineering support the Seller needs to provide to the Buyer for undertaking essential repairs and maintenance of the equipment during its exploitation. These repairs and maintenance would be in consonance with the Maintenance Philosophy enunciated at Para 1 above and validated during Limited Maintainability Evaluation. ESP would constitute the following aspects: -

(a) Spares.

(b) SMTs/ STEs/ test set-up.

(c) Technical Literature.

(d) Training and training aggregates.

3. **Spares**

(a) **Manufacturer Recommended List of Spares (MRLS)**. This is the list of spares, recommended by the manufacturer, for maintaining operational serviceability of the equipment and sustain it for the period as stipulated in the RFP. Based on the explanation given above, the Bidder is to provide MRLS to sustain the equipment for a period of **02 (two) years** for 'O' level of repair as per format given at **Annexure I to Appendix 'E'**. Bidder will be required to provide these both with Technical and Commercial Proposals. Cost of the MRLS, along with likely consumption rate of spares is to be provided with the Technical Proposal. MRLS will be supplied within six months prior to expiry of warranty period. MRLS would be provided separately for each such sub system, **including those for STEs**. 'Adequacy' Clause and 'Buy Back' clause will be co-opted in the contract as under: -

(i) **'Adequacy' Clause.**

(aa) The Bidder will confirm to the Buyer that the range and depth of Accompanied Accessories/ User Replaceable Parts/ Expendable, Spares and SMTs/ STEs being supplied are complete and adequate for carrying out repairs on the equipment Up-to the 'O' Level. The Bidder found to be providing lesser ESP/ MRLS in terms of range and depth will have to make good the deficiency at **No Extra Cost**.

(ab) The Bidder will also commit that any additional items, spares, tools and equipment needed for use, maintenance and repairs will be supplied by the Bidder at prices and within a period as specified in the contract, on receipt of notification from the Buyer for the Life-Cycle Support period. The Bidder will confirm that, if two different prices have been given for the same/similar item, then the lower price quoted will prevail. In case, the quoted accessories has several items viz, Sampling Accessory Kit and add up price of these items is higher than the quoted price of the accessory, then the price would be lowered / adjusted proportionately for the items.

(ii) **'Buy Back' Clause.** The Buyer shall have the option to amend the Manufacturer's Recommended List of Spares (MRLS) proposed by the Bidder within a period of the **two-year** post expiry of the warranty period. The Bidder needs to agree to either 'Buy Back' the spares rendered surplus or exchange them on 'cost-to-cost' basis with the spares, as required by the Buyer. The said spares would be purchased/ replaced by the Bidder, based on the prices negotiated in the contract.

(b) **User Defined List of Spares (UDLS).** Not Applicable at this stage.

4. **Special Maintenance Tools/ Special Test Equipment (SMTs/ STE)**. SMTs, STE and Test Jigs are essential tools required to undertake effective engineering support/ repairs on the equipment and its systems. Based on the Maintenance Philosophy Bidder is required to provide SMTs, STE and Test Jigs up to 'O' Level Repair. This would be formulated in a similar manner as explained as per the suggested format at **Annexure II to Appx 'E'**. SMTs, STEs and Test Jigs will be provided by the Seller, as per the list prepared by the Buyer on completion of MET, where applicable. The list of equipment required to be supplied will incorporate Adequacy Clause, as elaborated above.

5. The Seller confirms to installations of SMTs/ STEs at the nominated premises of the Buyer. MRLS for STEs should be provided as a package along with STEs at the time of installation. The list of equipment required to be supplied will incorporate Adequacy Clause, as elaborated above.

6. **Technical Documentation**. The Bidder will be required to provide the technical literature preferably in IETM (Interactive Electronic Training Manuals) in Level 4 format or higher. The details of technical literature to be supplied with the system should be listed as per the suggested format at **Annexure III to Appx 'E'**. This should be provided with both Technical and Commercial Proposals. The cost column may be left blank in the Technical Proposal. An illustrated list of documents which may be submitted by the Seller is as under:-

- (a) User Handbook/ Operators Manual in English.
- (b) **Technical Manuals**. (as per governing JSS-0251-01: 2015 (Revision No 2)
 - (i) **Part I**. Technical description and functioning of various systems.
 - (ii) **Part II**. Inspection/ Maintenance tasks repair procedures, materials used, fault diagnosis and use of Special Maintenance Tools (SMTs)/ Special Test Equipment (STEs).
 - (iii) **Part III**. Procedure for assembly/ disassembly, repair up to field, safety precautions.
 - (iv) **Part IV**. List of SMTs/ STEs and Test Jigs / Bench.
 - (v) Rotable list, norms of consumption, mandatory/ non-mandatory spares list for each system.
- (c) Table of Tools & Equipment (TOTE) & carried spares.
- (d) Complete Equipment Schedule.
- (e) Repair and Servicing schedule.
- (f) Design Specifications (categorically bringing out changes if any, to the product/ assemblies/ sub- assemblies supplied earlier).
- (g) Technical Manual on STEs with drawing references.
- (h) Condemnation limits.
- (j) Packing specifications/ instructions.
- (k) Any additional information suggested by the OEM.

7. **Details of Other OEMs.** For major / complex equipment, a large number of other OEMs may also be involved in manufacture of various systems/sub systems / support equipment. Details of such OEMs will also be intimated by the Bidder as per table below:-

Table - Format for Submitting Details of OEMs

| Ser No | Equipment | Part No | OEM | Contact Details (Tel/Fax/Email) | Details of Government License to OEMs |
|--------|-----------|---------|-----|---------------------------------|---------------------------------------|
| | | | | | |

8. **Training (Para 8, Appendix 'K' to Schedule I to Chapter II of DAP 2020).** A training package for maintenance personnel to undertake operation and maintenance of equipment at O / Field Level along with tools and test equipment training would be required to be carried out in English and Hindi language. Requirements such as training aids, projection system, complete equipment with accessories, technical literature, spares, test equipment, test set up, charts, training handouts, power point presentations, Computer Based Training (CBT)/ Interactive Electronics Training Manuals (IETM), Documentation, Simulators etc will be provided by the Bidder for the conduct of training. The Bidder will provide the Operation and Maintenance & Repair training, for the duration, strength and locations specified in the RFP and Contract. The following may also be noted :-

- (a) Details of training to be as per Para 17(a) & (b) of Part-I and **Annexure IV to Appx 'E'**.
- (b) The training should meet the needs of repair and maintenance of the complete equipment, use of SMTs/STEs, test set up, assemblies/ sub-assemblies as per the stipulated repair philosophy. In addition to training on operation and diagnosis using STEs, training would also cover repair of STEs using procured spares for STEs.
- (c) Training content should be commensurate with the proposed Engineering Support philosophy.
- (d) The trained personnel should be able to vet the MRLS to align it to actual on ground requirement. The training should bring out utilization of provided MRLS items including procedure of their fitment/ repair.
- (e) A movie should be made of entire training class with titles for reference in future. Movie should also include stepwise use of SMTs/ STEs.
- (f) The costs for aggregates and training must only be indicated in the commercial proposal.
- (g) **Sufficiency Clause.** Bidder will give an undertaking that the proposed Engineering Support Package (ESP) is sufficient to sustain Up-to Field level repair maintenance for quantity **qty 180 x Canister Launched Anti-Armour Loiter Munitions (CALM) System with accessories** including software for a period of **two years** after expiry of warranty. Any item falling short in the ESP in terms of range and depth will be replenished by the Bidder at

No Additional Cost. Bidder will give an undertaking agreeing to carry out any change to the ESP (to include MRLS, SMTs/STE, Installation material, Technical Literature and Training Aggregates) under the provisions of this clause within the existing commercial quotes. On termination of training, technicians should be capable of carrying out stipulated maintenance/repair to the full system. Else training will be repeated by the vendor **without any additional cost.**

Maintenance Contracts.

9. **Life Cycle Support Contract (LCSC)** (Para 12 and 13 of Appendix 'K' to Schedule I to Chapter II of DAP 2020). The repairs beyond 'O' Level will be carried out by OEM through a Life Cycle Support Contract (LCSC) signed along with the Main Contract for 05 years. The Bidder is to provide itemized rates of repairs for PCBs/ modules and sub-assemblies/ assemblies as part of the LCSC.

10. The Bidder will provide life-cycle support through a Life Cycle Support Contract (LCSC) as per the agreed terms. LCSC would bind the Bidder to provide product support through Long Term contract for supply of spares, repairs and Man-day rates of Specialists. The vendor would have to finalise the terms for the life time product support and the LCSC along with the current contract only. LCSC, will also include active obsolescence management, wherein even after the mandatory period, the Bidder would be bound to give at least two years notice to the Government of India prior to closing the production line to enable a Life Time Buy of all spares. Under the LCSC, Spares and Repair support would be provided by the Bidder through the following Rate contracts which would be signed with the main contract :-

(a) **Itemised Spare Parts Price Lists (ISPPL)**. ISPPL for all Spares or Line Replaceable Units (LRUs) of the equipment along with their Base price, annual escalation, delivery period and the MTBF (where applicable) be provided, at the time of submission of offer. The ISPPL shall also include details of the source, especially for items which are COTS, bought-out, proprietary, etc. ISPPL shall also indicate interoperability of spares across projects, in case spares/ equipment is already inducted in the Indian Armed Forces. The Bidder would submit a comprehensive Itemised Spare Parts Price Lists (ISPPL) comprising the following:-

- (i) Complete Part Identification List (PIL) for all Spares or Line Replaceable Units (LRUs), along with corresponding unique part numbers. The list is not to be limited to MRLS (Depot spares) or On-board Spares (spares along with the system) and should comprise entire list of spares of the equipment.
- (ii) Base Price list of each of the spares along with annual escalation at time of submission of the offer.
- (iii) Delivery Period of each spare after receipt of Order.
- (iv) Mean Time Between Failure (MTBF), where applicable.
- (v) Terms and conditions for supply of spares.

Format for Submitting Details of Spares

| Ser No | Part No | Description | Qty/ MoQ (where applicable) | Unit Price List (along with annual escalation) | Delivery Period | If Recommended, as MRLS |
|--------|---------|-------------|-----------------------------|--|-----------------|-------------------------|
| | | | | | | |

Note:- The following details be included in the spare parts submission offer:-

- (i) Sourcing of spares wrt COTS and Proprietary.
- (ii) Interoperability of spares across projects, in case the part/ system/ subsystem, etc. is already inducted in some other equipment currently in service with the Indian Armed Forces, or has been contracted for supply to the Indian Armed Forces.

(b) **Repairable Items Price Lists (RIPL).** RIPL would comprise of all repairable sub systems/ blocks and units. Wherever applicable, source of components required for repairs of units should also be specified. RIPL will also indicate reparability of these in India. The Bidder should submit the RIPL comprising the following:-

- (i) Complete catalogue of repairable spares (at LRU level), along with their Part numbers. Source of components required for repairs of units should also be specified, wherever applicable.
- (ii) Base Price list for repairs clearly indicating repairs that can be undertaken in India and at OEM premises. RIPL will comprise of all repairable sub systems/ blocks and units.
- (iii) Terms and conditions for undertaking repairs be specified.
- (iv) Delivery Period after receipt of order must be mentioned.
- (v) For imported equipment, the impetus is to undertake repairs in India. Repair list in such cases should clearly segregate the list of items that can be repaired in India and those that have to be undertaken to the OEM premises.

Illustrative Format for Submitting Details of Repairable Spares

| Ser No | Part No | Description | Repairs to be Undertaken | | Unit Qty | Price Lists (along with annual escalation) | Delivery period |
|--------|---------|-------------|--------------------------|--------------|----------|--|-----------------|
| | | | In India | OEM premises | | | |
| | | | | | | | |

Note :- The following aspects to be ensured :-

- (i) Repair costs to be all-inclusive (collection/ delivery ex-Depot).
- (ii) Warranty post repairs will be as specified in the contract document.

(c) **Man-Day Rates for Services/ Special Tools.** Man-day Rates for Services/ Special Tools of Specialists (where applicable) should be specified corresponding to the categorization of specialists, e.g. Designers, Engineers

and Technicians, as applicable. Man-day Rates for hiring Special Tools, where applicable will also be provided.

11. **Active Technology Obsolescence Management (Para 20, Appendix 'K' to Schedule I to Chapter II of DAP 2020)**. Bidder is to indicate the methodology on how the Bidder intends to undertake Active Obsolescence Management through life cycle of equipment which would include up-gradation of system/ subsystem/ units on completion of its fair service life. The Bidder shall also intimate Buyer on likely technology obsolescence of various sub-assemblies/ units/ modules of equipment through an Annual Bulletin. In case of impending obsolescence of components, bulletin should specify either alternate item or option for lifetime buy as under :-

(a) The Bidder will notify the Buyer not less than two years before the closure of its production line about the intention to close production of equipment for provision of purchasing spare parts, before closure of the said production line.

(b) Three years prior to completion of design/ service life of equipment, the Bidder will submit techno-commercial proposal for up-gradation of equipment, wherever applicable, to mitigate technology obsolescence and for ensuring product support for entire life cycle of equipment.

12. **Software**. The following aspects are brought out on software QA:-

(a) Software used (except the software used in COTS equipment) should undergo software quality assurance as per relevant and latest international military standards. The software should be latest CMM level compliant.

(b) The software life cycle concept will be followed/ observed. The software should be restorable in Field. Any upgrades or patches required in the software will be provided free of cost throughout the life cycle of the equipment. Adequate memory should be available to accept any up-gradation.

Annexure I to Appendix E
(Refers to Para 3(a) of Appendix E)

MANUFACTURER'S RECOMMENDED LIST OF SPARES (MRLS)

EQUIPMENT: **Canister Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories**

Original Equipment Manufacturer (OEM): _____

| Ser No | Manufacturer's Part No | Source of Supply | Nomenclature | Nos fitted in One equipment | Illustrated Spare Part List (ISPL) Reference | Unit Cost | Recommended scale for qty 180 CALM System with accessories for Two years post Warranty | | Total Cost | Remarks |
|--------|------------------------|------------------|--------------|-----------------------------|--|-----------|--|-----------|------------|---------|
| | | | | | | | For 05 Field Repair Points | Total Qty | | |
| | | | | | | | | | | |
| | Total Cost | | | | | | | | | |

Note:

1. Maintenance spares/stores like lubricants, sealing compound, gases should be given separately giving source of supply.
2. Spares for component repairs should be included under the column of nodal repair & Base Repair as suggested by OEM.
3. In 'Remarks' column following information (if applicable) be given:
 - (a) If an item has a shelf/operational life it be marked as 'G' and life indicated.
 - (b) Matching set of components be indicated.

- (c) Item which can be locally manufactured should be marked 'L/Mfr'.
 - (d) Items which cannot be manufactured in India due to sophisticated design/technology may be marked as 'SI' (Special Item).
 - (e) If a component/assembly is common to other similar equipment offered by the OEM earlier these should be marked 'CM' and name of the equipment be indicated.
 - (f) If any item is to be repaired by OEM in his premises, the same should be mentioned as **VR**.
4. MRLS should be drawn out of the 'Part List' of the equipment, which should be separately given as part of Technical Manual Part IV.
 5. If the main equipment consists of other equipment, then MRLS should be prepared for them under proper heads.
 6. MRLS be prepared as per the maintenance concept of the customer (**Appendix E** to this RFP)
 7. Items provided along with the equipment as spares should also be included in MRLS.
 8. Modules/Shop Replaceable Unit (SRU)/assemblies should be listed and their components should be included under them so as to relate each item of spare to their module/SRU/assembly.
 9. Complete MRLS should be costed separately for Field, Nodal and Base repairs as it is required to be included as part of 'Total Costed Engineering Support Package' (ESP). OEM may give cost details in confidence to Contract Negotiation Committee (CNC), but other details as above be provided during Maintainability Equipment Trial (MET).
 10. MRLS for test equipment should also be provided on the similar format.
 11. One set of MRLS (Field) per repair points (Field).

Annexure II to Appendix E
(Refers to Para 4 of Appendix E)

LIST OF SMT/STEs, JIGS, FIXTURE AND INFRASTRUCTURE

EQUIPMENT: **Canister Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories**

Original Equipment Manufacturer (OEM): _____

| S No | Manufacturer's Part No | Designation | Unit Cost | Nos Required | | | | Brief Purpose | Remarks |
|------|------------------------|-------------|-----------|----------------------------|--|--|--|---------------|---------|
| | | | | For 05 Field Repair Points | | | | | |
| | | | | | | | | | |

Note:

1. Prepare separate sheet for each type of equipment.
2. Specify in remarks column whether the Special Test Equipment (STE/Special Maintenance Tools (SMTs) can be used as general purpose equipment on any other kind of equipment.
3. For Field Level repairs quantity required should be for repair of **02** equipment at a time.
4. If test equipment is commercially available ex India, the source of supply be specified.
5. Test equipment for calibrating the STEs should be included in the list above and marked as 'CAL' in remarks column.
6. Test equipment which are required to be provided by the customer should also be included in the list above.
7. MRLS for 02 yrs for repair and maintenance of SMT/STE to be supplied by vendor for 05 sets of SMT/STE.

TECHNICAL LITERATURE

EQUIPMENT: **Canister Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories**

Original Equipment Manufacturer (OEM): _____

| Ser No | Technical Literature | Unit Cost | Scale for 180 CALM System with 45 GCS and Accessories | | | | | Total Cost | Remarks |
|--------|--|-----------|---|---------|---------|---------|---------|------------|--|
| | | | User | EME | DGQA | DGOS | Total | | |
| 1 | User handbook/ Operators Manual | | 45 | 07 | 06 | 02 | 60 | | <ul style="list-style-type: none"> - Qty 01 per eqpt (45). - Qty 01 per repair point (05). - Qty 01 each for HQ Tech Gp EME & MAG (02). - Qty 06 for DGQA (06). - Qty 02 OS Dte (02). |
| 2. | Design Specifications | | 02 | 01 | 06 | 02 | 11 | | <ul style="list-style-type: none"> • Qty 02 for MECH INF Dte (02). • Qty 01 for MAG (01). • Qty 06 for DGQA (06). • Qty 02 OS Dte (02). |
| 3. | <u>Technical Manual</u> | | | | | | | | |
| | (a) <u>Part I.</u> Tech description, specifications, functioning of various systems | | 15 Sets | 07 Sets | 06 Sets | 02 Sets | 30 Sets | | <ul style="list-style-type: none"> • Qty 01 per User Unit (15) • Qty 01 per repair point (05). • Qty 01 each for HQ Tech Gp EME & MAG (02). • Qty 06 for DGQA (06). • Qty 02 OS Dte (02). |
| | (b) <u>Part II.</u> Inspection/ Maintenance tasks repair procedures, materials used, fault diagnosis and use of Special Maintenance Tools (SMTs)/Special Test Equipment (STEs). | | | | | | | | |
| | (c) <u>Part III.</u> Procedure for assembly/disassembly, repair up to component level, safety precautions. | | | | | | | | |

| Ser No | Technical Literature | Unit Cost | Scale for 180 CALM System with 45 GCS and Accessories | | | | | Total Cost | Remarks |
|--------------------|---|-----------|---|---------|------|------|---------|--|---------|
| | | | User | EME | DGQA | DGOS | Total | | |
| | (d) Part IV. (i) Part list with drawing reference (ii) List of SMTs/STEs with Test Jigs. | | | | | | | | |
| 4. | Manufacturer's Recommended List of Spares (MRLS) | | 15 Sets | 07 Sets | - | - | 22 Sets | - Qty 01 per User Unit (15) - Qty 01 per repair point (05) - Qty 01 each for HQ Tech Gp EME & MAG (02). | |
| 5. | Illustrated Spares Parts List (ISPL) (Priced ISPL will be provided as part of commercial bid) | | 02 | 07 | - | - | 09 | - Qty 02 for MECH INF Dte (02). - Qty 01 per repair point (05). - Qty 01 each for HQ Tech Gp EME & MAG (02). | |
| 6. | Technical Manual on STE with drawing reference | | 15 Sets | 07 Sets | - | - | 22 Sets | - Qty 01 per User Unit (15) - Qty 01 per repair point (05). - Qty 01 each for HQ Tech Gp EME & MAG (02). | |
| 7. | CBT / Interactive Electronic Training Manuals (IETMs) of class IV or above | | 15 | 07 | - | - | 22 Sets | - Qty 01 per User Unit (15) - Qty 01 per repair point (05). - Qty 01 each for HQ Tech Gp EME & MAG (02). | |
| Total Cost: | | | | | | | | | |

Total Cost: _____ (In words)

Notes: -

- (i) All the above Technical Literature is recommended to be provided in Printed Form or Display Devices pre-loaded with IETM of minimum Level 4. In addition, CDs/ DVDs of Technical Literature should also be provided.
- (ii) In case any additional equipment is provided, their technical literature will be included.
- (iii) If certain technical literature is being provided free of cost it should be indicated in the remarks column.
- (iv) Diagnostic and Installation manuals to be provided for the complete software being used in the equipment.

Annexure IV to Appendix E
(Refers to Para 8(a) of Appendix E)

TRAINING AGGREGATES

EQUIPMENT: **Canister Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories**

OEM: _____

| Ser No | Description of Training Aggregates | Scale for 180 CALM System with 45 GCS and Accessories | | | | | Unit Cost | Total Cost | Remarks |
|--------|---|---|------------|------------|------------|------------|-----------|------------|--|
| | | User | EME | DGQA | DGOS | Total | | | |
| 1. | Complete Equipment | - | - | - | - | - | | | Not required |
| 2. | Sectionised Equipment | - | - | - | - | - | | | Not required |
| 3. | Shop Replaceable Units (SRUs)/ PCB/ Modules/ assemblies (to be suggested by Seller) | - | - | - | - | - | | | To be suggested by Seller |
| 4. | Computer based training package based on interactive multimedia to include (a) Full graphics, animation, text and sound. (b) Symptoms- fault correlation (expert system). | 15 Sets | 07 Sets | 02 Sets | 02 Sets | 26 Sets | | | - Qty 01 per User Unit (15) - Qty 01 per repair point (05) - Qty 01 each for HQ Tech Gp EME & MAG (02) - Qty 02 for DGQA (02) - Qty 02 for OS Dte (02) |
| 5. | Training Aids to include (as applicable) (a) Slides/ Charts (b) Training Brochures (c) Blow up Diagrams (d) Video Films/ movie | 15 Sets | 07 Sets | 02 Sets | 02 Sets | 26 Sets | | | - Qty 01 per User Unit (15) - Qty 01 per repair point (05) - Qty 01 each for HQ Tech Gp EME & MAG (02) - Qty 02 for DGQA (02) - Qty 02 for OS Dte (02) |

| Ser No | Description of Training Aggregates | Scale for 180 CALM System with 45 GCS and Accessories | | | | | Unit Cost | Total Cost | Remarks |
|--------|---|---|-----|------|------|-------|-----------|------------|---|
| | | User | EME | DGQA | DGOS | Total | | | |
| 6. | Cost of training operators/ crew at Bidder/ Seller premises on operations and periodic maintenance for crew for 15 working days | 30 | - | - | - | 30 | | | In two batches on aspects mentioned in Main document of RFP. Each trainee to be given opportunity to physically launch, fly and control CALM. |
| 7. | Repair & Maintenance Training of Seller's Maintenance Personnel at MCEME Secunderabad, Telangana on Field Level (O-Level) Maintenance & Repairs for 15 working days | - | 10 | - | - | 10 | | | In one batch on aspects mentioned in Main Document of RFP |
| 8. | Training on Quality Assurance for conduct of PDI as per ATP for atleast 05 days at Bidder / Seller premises | - | - | 05 | - | 05 | | | In one batch on aspects mentioned in Main Document of RFP |
| 9. | Training of Ordnance Personnel at Seller / Buyer premises for at least 05 days | - | - | - | 05 | 05 | | | In one batch on aspects mentioned in Main Document of RFP |
| 10. | Total Cost | | | | | | | | |

Total Cost: _____ **(In words)**

Appendix F
(Refers to Para 39 of RFP)

DEMONSTRATION METHODOLOGY

DEMONSTRATION METHODOLOGY: CANISTER LAUNCHED ANTI-ARMOUR LOITER MUNITION (CALM) SYSTEMS WITH ACCESSORIES

1. **General.** The demonstration of Canister Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories will be conducted on 'No Cost No Commitment' basis at location decided by the Buyer. Parameters which can be verified based on documents or certificates rendered by the Bidder may not be sought for demonstration at this stage. The CALM system will be tested against laid down OR parameters as per Methodology given at Para 11 below.

2. **Quantity.** The following equipment will be provided by Bidder:-

| Ser | Equipment | Quantity |
|-----|---|-------------------|
| (a) | Canister Launched Loiter Munition (HEAT warhead) | At least Two (02) |
| (b) | Canister Launched Loiter Munition (Inert warhead) | At least Two (02) |
| (c) | Ground Control System (GCS) with Accessories | At least One (01) |

3. **Crew.** Crew for demonstration will be provided by the Bidder.

4. **Time Schedule.** The demonstration will be conducted as part of Technical Evaluation of RFP responses after at least 30 days of receipt of RFP Responses. The demonstration will be witnessed by Empowered Committee / Representative nominated by the Empowered Committee. Final schedule for demonstration along with location and the directive for conduct of said demonstration will be informed at least 30 days in advance.

5. **Location of Demonstration.** The demonstration will be conducted at location decided by the Buyer and preferably at High Altitude Area (up to 4500m ASL).

6. **Vendor Certification.** A separate certificate for each parameter would be required to be submitted certifying compliance to the said parameter. The certificate should also be supported with Test Reports (where mentioned in the Methodology) and consist relevant technical details of the sub-system like weight/ mass, material composition, safety features, minimum endurance, durability/ environmental standards etc that are not included in the ORs.

7. **Demonstration of Equipment.** Demonstration of the Canister Launched Anti-Armour Loiter Munition (CALM) Systems with Accessories will be conducted entirely under the arrangements of the vendor with requisite administrative and demonstrative support provided by Buyer where necessary. The detailed evaluation directive with compliance matrix for aspects requiring static / dynamic demonstration shall be issued post submission of Bids. The Demonstration will be conducted for only those vendors who have been found compliant during technical evaluation of RFP Response/ Technical bids.

8. **Transport of Equipment.** Movement of the equipment and stores for demonstration will be undertaken by the vendor up to demonstration location and all charges for transportation, freight and insurance, custom and other applicable taxes and duties shall be borne by the vendor. Buyer will facilitate in providing requisite certificates / authorities for transportation of the equipment for demonstration.

9. **Representation / Requests.** All queries, representations and requests related to the demonstration will be addressed in writing to the Empowered Committee of this Project.

10. **Demonstration of Maintenance Aspects.** Characteristics related to 'O-Level' maintenance of equipment by Services Maintenance Agencies would be provided by the as per details mentioned at Para 11 below.

11. **Demonstration Methodology.** The tentative methodology for demonstration of the equipment is given as under:-

| <u>SN</u> | <u>Parameters</u> | <u>Operational Requirement</u> | <u>Evaluation Methodology</u> |
|-------------------------------------|----------------------------|--|---|
| 11.1 | System Configuration | (i) Canister launched Anti-armour Loiter Munitions (LM) (ii) Ground Control Station (GCS) including Antenna System for Communication Link | Demonstration |
| 11.2 | Launch Altitude | Up to 4500 meters above MSL (High Altitude Area) | Demonstration. |
| 11.3 | Operating & Storage Temp | (a) <u>Minimum</u> : Between (-)15° to (-)5° Celsius. (b) <u>Maximum</u> : Up-to 40° Celsius. | Vendor Certification |
| <u>Loiter Munitions (LM)</u> | | | |
| 11.4 | Canister | Hermetically sealed canister / tube for each LM | Demonstration |
| 11.5 | Weight of LM | Up to 25 Kg each LM with canister | |
| 11.6 | Type of launch | Pneumatic/ Gas assisted launch from canister/ tube | Vendor Certification |
| 11.7 | Propulsion System | Electric | Vendor Certification |
| 11.8 | Operational Range | Up to 15 km from point of launch | Demonstration. |
| 11.9 | Loiter Time | At least 15 minutes at max operational range | |
| 11.10 | Endurance | At least 60 minutes | |
| 11.11 | Flight Modes (Day & Night) | (a) Fly to Coordinate and Loiter over designated area (b) Fly-by-Camera Lock (c) Abort (d) Recover | Demonstration (may be conducted using Inert-Warhead). |
| 11.12 | Attack Modes | (a) Direct Attack (b) Top Attack | Demonstration (both Modes to be conducted using HEAT/ Inert Warhead). |

| <u>SN</u> | <u>Parameters</u> | <u>Operational Requirement</u> | <u>Evaluation Methodology</u> |
|---|---------------------------------------|--|--|
| 11.13 | Speed of tank target for engagement | At least 30 km/hour | Demonstration (to be conducted using only Inert-Warhead). |
| 11.14 | Type of Warhead | High Explosive Anti-Tank (HEAT) | Demonstration (may be evaluated along with Ser 11.12 above). Certificate to be submitted stating Chemical Composition, Weight, Safety Features & UN/ Hazard No |
| 11.15 | Penetration | At least 500mm RHA | Vendor Certification with Test Report |
| 11.16 | Accuracy | 01-meter CEP or less in Top-Attack Mode | Demonstration (may be evaluated along with Ser 11.12 above). |
| <u>Ground Control System (GCS)</u> | | | |
| 11.17 | Operator's Control Unit (OCU) | (a) Rugged & man portable OCU (b) Real-time display & record images/ video sent by LM (c) Inbuilt power backup of at least 2 hours | Demonstration |
| 11.18 | Antenna system for Communication Link | (a) Digitally encrypted (min AES-256) & two-way communication link (b) In case of failure of link, LM to continue task / navigate to parent AFV and execute safe ditching | 18(a): Demonstration of antenna hardware. Encryption aspect through Vendor Certification . 18(b): Vendor Certification . |
| 11.19 | Map Support | (a) In-built maps including Raster with contours (b) Feasibility to function with DSM & IRNSS/NavIC | 19(a): Demonstration (may be evaluated along with Ser 11.11 above). 19(b): Vendor Certification |
| <u>Fitment on in-service AFV (ICV BMP 2K & Tank T-72 / T-90)</u> | | | |
| 11.20 | Fitment Requirement | (a) Provision to launch at least one LM from AFV (b) Fitment to not restrict traverse and elevation of Main Gun (c) Provision to control LM from at least 500 metres from parent AFV | 20(a): Vendor Certification . 20(b): Vendor Certification . |

| SN | Parameters | Operational Requirement | Evaluation Methodology |
|---------------------------------|---------------------|--|--|
| | | (d) CALM system to be independent for power requirement. | 20(c): Demonstration. 20(d): Demonstration. |
| 11.21 | Qty of reserve LMs | At least 03 x Reserve LMs on each System | Vendor Certification |
| 11.22 | Qty ready to launch | At least 01 x LM with canister/ tube | Vendor Certification |
| Miscellaneous Parameters | | | |
| 11.23 | Health Check | Inbuilt BITE | Demonstration. |
| 11.24 | Simulator | Indoor type simulator | Vendor Certification. |
| 11.25 | Training LM | All specifications same as LM however with inert warhead | Demonstration (may be evaluated along with Ser 13 above). |
| 11.26 | Service Life | (a) LM: at least 10 yrs in storage conditions (b) GCS: at least 15 years (c) Simulator: at least 15 years | Vendor Certification. |
| 11.27 | Maintenance Aspects | In order to maintain the equipment in field army, maintenance related aspects shall be demonstrated/ displayed with associated equipment / accessories. Following aspects to be demonstrated/ displayed: (a) Technical Literature to include User Hand Book, Technical Manuals, ISPL & Technical manuals on STEs, (b) Details of MRLS & training aggregates. (b) SMTs and STE. (c) Tree diagram to include assemblies / sub-assemblies | Vendor Certification cum Demonstration/ Display |

Appendix G
(Refers to Para 48 of RFP)

COMMERCIAL CLAUSES

1. Payment Terms

1.1 **INCOTERMS for Delivery.** The delivery of all goods will be based on DDP INCOTERMS-2020 with ultimate consignee as CAD Pulgaon, Maharashtra.

1.2. **Currency of Payment.** Indian bidders should submit their bids in Indian Rupees.

1.3 **Contract Price and Requirement of Bank Guarantees**

1.3.1 **Total Contract Price.** The Total Contract Price will be the final price negotiated by CNC including taxes and duties applicable at the time of signing of Contract.

1.3.2 **Base Contract Price.** The Base Contract Price will be considered as Total Contract Price excluding taxes and duties applicable at the time of signing of Contract and excluding the Total Price of AMC/CMC/PBL/LCSC (if any).

1.3.3 **Bank Guarantee(s).** For the purpose of payment of Advances to the Bidder and submission of various Bank Guarantees by the Bidder i.e Advance Payment Bank Guarantee (APBG) and Additional Bank Guarantee (ABG), as applicable, Base Contract price will be considered. For Performance cum Warranty Bank Guarantee (PWBG), Total Contract Price including taxes and duties is to be considered.

1.3.4 For orders with AMC/CMC/PBL/LCSC, an additional Performance Bank Guarantee (PBG) is to be submitted by the Bidder for which the Total Price of AMC/CMC/PBL/LCSC for contracted duration will be considered.

1.3.5 All Bank Guarantee(s) requirements viz Advance Payment Bank Guarantee (APBG), Performance-cum-Warranty Bank Guarantee (PWBG), Additional Bank Guarantee (ABG), Performance Bank Guarantee (PBG) etc are to be submitted by the Indian Bidders from any Indian Public or Private Scheduled Commercial Bank.

1.4 **Payment Schedule - by Indian Bidders.** The schedule for payments will be based on the Buyers requirements, enumerated at succeeding Paragraphs. The summary of delivery schedule, payments to be made and schedule of submission/release of Advance Bank guarantee (s), as applicable, is specified at Annexure V to Appendix G.

1.4.1 **Advance Payment.** 15% of the Base Contract Price shall be paid within thirty (30) days of submission of claim and a Bank Guarantee for the equivalent amount, subject to correction and acceptability of the documents submitted. The prescribed format of the Advance Payment Bank Guarantee (APBG) is placed at **Annexure II to Appendix G**. The Advance Payment Bank Guarantee (APBG) will be deemed to be proportionately and automatically reduced until full extinction along with and prorate to value of each delivery, as evidenced by corresponding copy of document proving delivery and invoices of goods/services supplied/provided. The date of delivery would be reckoned from the date of signing of contract. All deliveries **less MRLS** will be completed latest within one year of signing of contract (in case no advance is to be claimed, the same be explicitly mentioned in the Response by the Bidder).

1.4.2 **On Dispatch.** 60% of the Base Contract Price of deliverables and reimbursement of 100% of taxes and levies (**less cost of Installation/ Commissioning, Training and MRLS**) shall be paid on submission of proof of dispatch of deliverables to the consignee and on production of an inspection note issued by the buyer designated inspection agency on pro rata basis. Number and date of the Railway/Road/Air Transport receipt under which the deliverables charged for in the bill are dispatched by rail/road/Air and the number and date of letter with which such receipt is forwarded to the consignee, should be quoted on the bill. The payment will be made by PCDA/CDA through cheque/Electronic Fund Transfer (EFT) on submission of following documents: -

1.4.2.1 Ink-signed copy of Seller's bill.

1.4.2.2 Ink-signed copy of Commercial invoice.

1.4.2.3 The relevant Transport Receipt.

1.4.2.4 Inspection Acceptance Certificate of Buyer's QA agency demonstrating compliance with the technical specifications of the contract.

1.4.2.5 Packing List.

1.4.2.6 Certificate of Origin.

1.4.2.7 Claim for statutory and other levies to be supported with requisite documents/GST invoice (with QR code, when made applicable)/proof of payment, as applicable.

1.4.2.8 Exemption certificate for taxes/duties, if applicable.

1.4.2.9 Warranty certificate from the SELLER.

1.4.3 In case of failure of the Seller to deliver the deliverables to the Buyer or inordinate delay in the said delivery leading to Termination of the Contract in accordance with Article 22A.1 of SCD, the SELLER will be liable to return payments received against dispatch.

1.4.4 **On Delivery.** 10% of **Base Contract Price** of deliverables (less cost of Installation/ Commissioning and MRLS) and balance **25%** in respect of Miscellaneous Accessories including Technical Literature, Training Aggregates, relevant SMTs/STEs etc (less Training) shall be paid on completion of JRI post-delivery and issue of JRI Certificate/ Certified Receipt Voucher (CRV) issued by the Buyer upon submission of claims with relevant documents.

1.4.5 **On Final Acceptance and Installation/ Commissioning.** The remaining **15% of the Base Contract Price of deliverables** (less cost of MRLS and Training of Maintenance Personnel) and **85% of cost of Installation and Commissioning along with associated taxes** shall be paid on pro rata basis within thirty (30) days of submission of the Acceptance Certificate & Certified Receipt Voucher (CRV) / Certificate of Completion of Installation and Training issued by the Buyer and other relevant documents as mentioned above for final payment, but such payments will be subject to the deductions of such amounts as the Seller may be liable to pay under the agreed terms of the Contract. The concerned PCDA/CDA will release the payment through cheque/EFT.

1.4.6 **Part-Dispatch/ Part-Shipment.** Part-dispatch or part-shipment of goods is permitted and corresponding payment will be released to the Seller. However, where permitted, the minimum quantity for using this facility on each occasion will not be less than not less than **30 LMs & 07 GCS** with associated accessories.

1.4.7 **LCSC Payments.** Payments will be made by PCDA/CDA on submission of User Clearance Certificate through issue of cheque/ECS.

1.4.8 **Training Payments.** The remaining **85%** of the cost of training and associated taxes and duties, shall be paid on submission of Certificate from BUYER'S representative that training program has been completed by the SELLER /its representative with requisite documents for payment on pro rata basis. Payment for Seller's Maintenance Personnel will be made on completion of the same as per stated schedule ie six months prior to expiry of warranty upon submission of claim along with training completion certificate to this effect.

1.4.9 **MRLS Payments.** Balance 85% of the cost of deliverables which form part of MRLS shall be paid within thirty (30) days of submission of claim with Certified Receipt Voucher (CRV) issued by the Consignee Depot / Buyer and other relevant documents as mentioned above for final payment, but such payments will be subject to the deductions of such amounts as the Seller may be liable to pay under the agreed terms of the Contract. The concerned PCDA/CDA will release the payment through cheque/EFT.

1.4.10 **Payment of Taxes and Duties.** Payment of taxes, duties and statutory levies will be made on submission of requisite documentary proof to Paying authority. Reimbursement of taxes and duties will be as per rates

and amounts indicated in the commercial bid/contract or as per actuals whichever is lower.

1.4.11 **Exchange Rate Variation**. Exchange Rate variation shall be applicable for Rupee contracts with Indian Vendors, based on RFPs issued under all categories of capital acquisitions mentioned at Para 8 to 12 of Chapter I of DAP. The indigenous & import components as also the various currencies (of the import components) for ERV purposes, must be determined in advance. The guidelines on protection of Exchange Rate Variation are given at **Annexure I to this Appendix**.

2. **Performance-cum-Warranty Bank Guarantee Clause**. A Performance-cum-Warranty Bank Guarantee (PWBG) of **3%** (or as applicable during signing of contract) of value of the Total Contract Price including taxes and duties would be furnished by the Bidder in the form of a Bank Guarantee to sequentially act as Performance Bank guarantee till the delivery and as Warranty Bank Guarantee on delivery. The PWBG shall be submitted by the Bidder within one month of signing of contract and shall be valid for a period, until three months beyond the warranty period, as specified in the RFP. If at any stage, the Performance Guarantee is invoked by the Buyer either in full or in part, the Bidder shall make good the shortfall in PWBG within 30 days by an additional Bank Guarantee for equivalent amount. In the event of failure to submit the required Bank Guarantee against invoked Performance Guarantee, equivalent amount will be withheld from the next stage payment till the shortfall in the Bank Guarantee is made good by the Bidder. The prescribed format of the Performance-cum-Warranty Bank Guarantee is placed at **Annexure III to Appendix G**.

3. **Inspection**. Pre-Dispatch Inspection (PDI) would be at the discretion of the Buyer. In addition, Joint Receipt Inspection (JRI) will also be carried out. For PDI, the Bidder should intimate at least 15 days prior to the day when the equipment is to be offered for PDI to enable Buyer's QA personnel to be available for inspection. All the expenses towards PDI will be borne by the Bidder except transportation and accommodation of Buyer's PDI team, which will be deputed at Buyer's expense. In case of rejection of Goods during PDI, re-PDI will be undertaken at Bidder's premises at Buyer's sole discretion. All expenses including transportation and accommodation of Buyer's PDI team will be borne by the Bidder. Towards this, the expenses towards transportation and accommodation of Buyer's PDI team will be initially done by the Buyer and subsequently reimbursed by the Bidder either by remittance or by recovery from the Balance Payment/PWBG. In the event of a failed PDI, the Bidder shall consult the Buyer for rescheduling re-PDI. In case of JRI, the representative of the Seller may be present for inspection after the equipment reaches the concerned destination. The Seller would be informed of the date for JRI.

4. **Liquidated Damages (LD)**. In case of delay in supplies, the vendor shall be levied LD @ 1.5% per week of delay subject to maximum 15% of value of delayed stores, calculated on the basis of the Contract Price of delayed stores.

5. **Payment Deductions and Damages for Shortfalls in LCSC Services.**

The clause for payment deductions and damages for shortfall in LCSC services is to be formulated on case to case basis. A sample formulation is given below.

In case the cumulative downtime exceeds 60 days (working days) in the Year, payment will be deducted. The total downtime will be calculated at the end of the Year and payments will be deducted. The total payments to be deducted will be calculated as follows:-

(a) Payments would be deducted on pro-rate basis for the duration, by which cumulative downtime exceeds 60 days (working days), as follows:-

(i) Per year LCSC = 'X₁'

(ii) Period by which cumulative downtime exceeds the specified cumulative downtime, in days = 'Y₁'

(iii) Payment Deduction = 'Z₁',

*Where $Z_1 = [(X_1 / \text{Number of days in the year}) * Y_1]$*

(b) In addition, damages would be deducted to the sum of 0.1% of the per annum LCSC cost per day, for the duration, by which cumulative downtime exceeds the maximum permissible cumulative downtime per quarter/half-year/year, subject to the maximum value of this damages not being higher than 5% of the annual LCSC cost.

6. **Denial Clause.** In case the delay in delivery is attributable to the Seller or a non-force majeure event, the Buyer may protect himself against extra expenditure during the extended period by stipulating a denial clause (over and above levy of LD) in the letter informing the Seller of extension of the delivery period. In the denial clause, any increase in statutory duties and/or upward rise in prices due to the Price Variation Clause (PVC) and/or any adverse fluctuation in foreign exchange are to be borne by the Seller during the extended delivery period, while the Buyer reserves his right to get any benefit of downward revisions in statutory duties, PVC and foreign exchange rate. Thus, PVC, other variations and foreign exchange clauses operate only during the original delivery period. The format for **extension of delivery period/performance notice** under the Denial clause is at **Annexure VI to Appendix G.**

Annexure I to Appendix G
(Refers to Para 1.4.11 Appendix G)

GUIDELINES OF PROTECTION OF EXCHANGE RATE VARIATION IN CONTRACTS

1. Parameters to be kept in view while formulation ERV Clause.
- (a) In contracts with Indian Vendors in all categories of capital acquisitions where there is an import content, ERV clause will be provided. However, ERV clause shall not be applicable to contracts in following conditions: -
- (i) The delivery period is less than one year; or
- (ii) The rate of exchange variation is within the band of +/- 2.5%.
- (b) ERV clause will be framed according to the specific requirements of the contract. While calling for information at the RFP stage/formulation of ERV clauses in the contracts, the following factors are to be taken into consideration depending upon the requirements of the individual contracts: -
- (i) Year wise and major currency wise import break up is to be indicated.
- (ii) Detailed time schedule for procurement of imported material/ Services and their value at the FE rates adopted for the contract is to be furnished by the vendor as per the format given below:-

| YEAR | TOTAL COST OF IMPORTED MATERIAL/ SERVICES (In rupees) | FE CONTENT-OUT FLOW (equivalent in rupees ₹ in crore) | | | |
|------|---|---|------------------|--------------------|--|
| | | DOLLAR DENOMINATED | EURO DENOMINATED | POUNDS DENOMINATED | OTHER CURRENCIES DENOMINATED (as applicable) |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

- (iii) ERV clause will not be applicable in case delivery periods for imported content are subsequently to be refixed/extended unless the reasons for delivery period extension are attributable to the buyer.
- (iv) For purposes of ensuring uniformity, the Base Exchange Rate on the ERV reckoning date will be adopted for each of the major foreign currencies. The Base Exchange Rate will be the BC Selling

Rate of the Parliament Street Branch of State Bank of India, New Delhi. The ERV reckoning date will be the last date of submission of commercial bids as per RFP. In cases where Option Clause is exercised, the date of reckoning of ERV will be the last date of submission of bids for the RFP of the Original Procurement Case.

(v) ERV clause in the contract is to clearly indicate that ERV is payable/ refundable depending upon exchange rate as prevalent on the date of transaction with reference to Base Exchange Rate on the ERV reckoning date.

(vi) Other issues which are peculiar to the contract.

2. **Methodology For Claiming ERV**

“The prices finalised in the contract are based on the base exchange rates indicated in the contract. The year-wise amount of foreign exchange component of the imported items as indicated in the contract shall be adjusted for the impact of exchange Rate Variation of the Rupee based on the exchange rate prevailing on the date of each transaction, as notified by the SBI, Parliament Street Branch, New Delhi. The impact of notified Exchange Rate Variation shall be computed on an yearly basis for the outflow as tabulated in Annexure..... (The table at Para 1(b) (ii) is to be an Annexure to the contract) and shall be paid/refunded before the end of the financial year based on the certification of Finance Head of the concerned Division.....”.

3. Paying authority is to undertake a pre-audit of the documents before payment.

4. Documentation for Claiming ERV. The following documents would need to be submitted in support of the claim on account of ERV:-

(a) A bill of ERV claim enclosing worksheet.

(b) Banker's Certificate/debit advice detailing Foreign Exchange paid and Exchange rate as on date of transaction.

(c) Copies of import orders placed on the suppliers.

(d) Invoice of supplier for the relevant import orders.

Annexure II to Appendix G
(Refers to Para 1.4.1 of Appendix G)

BANK GUARANTEE FORMAT FOR ADVANCE

To

The _____
Ministry of _____
Government of India

_____ (complete postal address of the beneficiary)

1. "Whereas President of India represented by the _____ Ministry of _____ Government of India (hereinafter referred to as BUYER) have entered into _____ a _____ Contract _____ No. _____ (No. of Contract), dated _____ (Date of Contract) with M/s _____ (Name of SELLER) (referred to as SELLER) and whereas according to the said Contract the BUYER has undertaken to make an advance payment of ₹/ US \$/ Euro/ PS£/ Yen/ AUD/ SGD _____ being payment of _____% of the total value of ₹/ US\$/ Euro/ PS£/ Yen/ AUD/ SGD _____ of the said Contract, against issuance of an advance guarantee by a bank."

2. We _____ (indicate the name of the bank) do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the BUYER intimating that the SELLER is in breach of the Contractual obligations stipulated in the said Contract. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our total liability under this guarantee shall be restricted to an amount not exceeding ₹/ US\$/ Euro/ PS £/ Yen/ AUD/ SGD _____.

3. We undertake to pay to the BUYER any money so demanded notwithstanding any dispute or disputes raised by the SELLER in any suit or proceedings pending before any Court or Tribunal relating thereto our liability under this present being absolute and unequivocal. The payment so made by us under this bond shall be valid discharge of our liability for payment there under and the SELLER shall have no claim against us for making such payment.

4. We, further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Contract and that it shall continue to be enforceable till all the dues of the BUYER under or by virtue of the said Contract have been fully paid and its claims satisfied or discharged or till _____ office / Department / Ministry of _____ certifies that the terms and conditions of the said Contract have been fully and properly carried out by the said SELLER and accordingly discharges this guarantee.

5. We, further agree with the BUYER that the BUYER shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Contract or to extend time of performance by the said SELLER from time to time or to postpone for any time or from time to time any of the powers exercisable by the BUYER against the said SELLER and to forbear or enforce any of the terms and conditions relating to the said Contract and we shall not be relieved from our liability by reason of any such variation, Amendment issued vide MoD ID No. 4(50)/D(Acq)/08 dated 20.06.2016 or extension being granted to the said SELLER or for any forbearance, act or omission on the part of the BUYER or indulgence by the BUYER to the said SELLER or by any such matter or thing whatsoever which under law relating to sureties would, but for this provision, have effect of so relieving us.

6. The amount of this guarantee will be progressively reduced by (percentage of advance) _____ of total value of each part shipment/services against the stage payment released by the BUYER for that shipment/services made by the SELLER and presentation to us of the payment documents.

7. This guarantee will not be discharged due to the change in the constitution of the bank or the BUYER/SELLER.

8. We, undertake not to revoke this guarantee during the currency except with the previous consent of the BUYER in writing.

9. Notwithstanding anything contained herein above:-

(a) Our liability under this Guarantee shall not exceed ₹/ US\$/ Euro/ PS £/ Yen/ AUD/ SGD _____ (in words) _____

(b) This Bank Guarantee shall remain valid until _____ (hereinafter the expiry date of this guarantee) the Bank Guarantee will cease to be valid after _____ irrespective whether the Original Guarantee is returned to us or not.

(c) We are liable to pay guaranteed amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written demand or a claim in writing on or before _____ (Expiry Date).

Dated the _____ day of _____ (month and year)

Place :

Signed and delivered by _____ (Name of the bank)

Through its authorised signatory

(Signature with seal)

Annexure III to Appendix G
(Refers to Para 2 of Appendix G)

BANK GUARANTEE FORMAT FOR PERFORMANCE-CUM-WARRANTY

To

The _____
Ministry of _____
Government of India
_____ (complete postal address of the beneficiary)

Dear Sir,

1. Whereas President of India represented by the _____ Ministry of _____, Government of India (hereinafter referred to as BUYER) have entered into a Contract No. _____ dated _____ (hereinafter referred to as the said Contract) with M/s. _____ (hereinafter referred to as the SELLER) for supply of goods as per Contract to the said BUYER and whereas the SELLER has undertaken to produce a bank guarantee amounting to ₹/ US\$/ Euro/PS £/Yen/AUD/SGD _____ which is 3% of Total Contract Price (including taxes and duties) for Performance and Warranty in sequence, to secure its obligations towards Performance-cum-Warranty to the BUYERS.

2. We, the _____ bank hereby expressly, irrevocably and unreservedly undertake the guarantee as principal obligors on behalf the SELLER that, in the event that the BUYER declares to us that the amount claimed is due by way of loss or damage caused to or would be caused or suffered by the BUYER by reason of breach/failure to perform by the said SELLER of any of the terms and conditions in the Contract related to Performance and Warranty clauses, we will pay you, on demand and without demur, all and any sum up to {3% of Total Contract Price (including taxes and duties)} _____ Rupees/ US \$/Euro/PS £/Yen/AUD/SGD only at any instance under this Guarantee. Your written demand shall be conclusive evidence to us that such repayment is due under the terms of the said Contract. We shall not be entitled to ask you to establish your claim or claims under this guarantee but will pay the same forthwith without any protest or demur. We undertake to effect payment upon receipt of such written demand.

3. We shall not be discharged or released from the undertaking and guarantee by any arrangements, variations made between you and the SELLER, indulgence to the SELLER by you, or by any alterations in the obligations of the SELLER or by any forbearance whether as to payment, time performance or otherwise.

4. We further agree that any such demand made by the BUYER on the Bank shall be conclusive, binding, absolute and unequivocal notwithstanding any difference or dispute or controversy that may exist or arise between you and the SELLER or any other person.

5. In no case shall the amount of this guarantee be increased.
6. This Performance-cum-Warranty guarantee shall remain valid for a period until three months beyond the warranty period as specified in the Contract i.e. up to _____.
7. Subject to the terms of this Bank Guarantee, the issuing bank hereby irrevocably authorizes the beneficiary to draw the amount of up to Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ {3% of Total Contract Price (including taxes and duties)} for breach/failure to perform by the SELLER of any of the terms and conditions of the Contract related to performance and warranty clause. Partial drawings and multiple drawings under this Bank Guarantee are allowed within the above stated cumulative amount subject to each such drawing not exceeding 3% of the Total Contract Price (including taxes and duties) (Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ only) (Mention BG amount).
8. This guarantee shall be continuing guarantee and shall not be discharged by any change in the constitution of the Bank or in the constitution of M/s _____. We undertake not to revoke this guarantee during the currency except with previous consent of BUYER in writing.
9. Notwithstanding anything contained herein above:
- (a) Our liability under this Guarantee shall not exceed Rs/ US \$/Euro/PS £/Yen/AUD/SGD _____ (Rupees _____ only (in words)).
- (b) This Bank Guarantee shall remain valid until 3 months from the date of expiry of warranty period of the Contract, i.e up to _____ (mention the date) which is 3 months after expiry of the warranty period and the BG shall cease to be valid after _____ irrespective whether the Original Guarantee is returned to us or not.
- (c) We are liable to pay guaranteed amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written demand or a claim in writing on or before _____ (Expiry Date).

Dated the _____ day of _____ (month and year)

Place :

Signed and delivered by _____ (name of the bank)

Through its authorised signatory
(Signature with seal)

Annexure IV to Appendix G
(Refers to Para 6 of Appendix G)

FORMAT FOR EXTENSION OF DELIVERY PERIOD/ PERFORMANCE NOTICE

Name of the Procuring Entity.....

Extension of Delivery Period/Performance Notice

To
M/s (name and address of firm)

Sub: Contract No..... dated.....for the supply of.....

Ref: Your letter no. dated:

Dear Sir,

1. You have failed to deliver {the (fill in qty.) of Stores/the entire quantity of Stores} within the contract delivery period [as last extended up to] (fill in date). In your letter under reply you have asked for [further] extension of time for delivery. In view of the circumstances stated in your said letter, the time for delivery is extended from (fill in date) to (fill in date).

2. Please note that notwithstanding the grant of this extension in terms of Clause (fill in clause number) of the subject contract an amount equivalent to % (..... per cent) of the delivered price of the delayed goods for each week of delay or part thereof (subject to the ceiling as provided in the aforesaid clause) beyond the original contract delivery date/the last unconditionally re-fixed delivery date (as & if applicable), viz., (fill in date) will be recovered from you as liquidated damages. You may now tender the Stores for inspection [balance of the Stores] in terms of this letter. Stores if any already tendered by you for inspection but not inspected will be now inspected accordingly.

3. You are also required to extend the validity period of the performance guarantee for the subject contract from (fill in present validity date) to (fill in required extended date) within 15 (fifteen) days of issue of this amendment letter.

4. The above extension of delivery date will also be subject to the following Denial Clause:-

(a) That no increases in price on account of any statutory increase in or fresh Imposition of customs duty, GST or on account of any other taxes/duty, including custom duty), leviable in respect of the Stores specified in the said contract which takes place after (insert the original delivery date) shall be admissible on such of the said Stores, as are delivered after the said date; and,

(b) That notwithstanding any stipulation in the contract for increase in price on any other ground including foreign exchange rate variation, no such increase

which takes place after (insert the reckoning date as per DAP 2020) shall be admissible on such of the said Stores as are delivered after the said date.

(c) But nevertheless, the Buyer shall be entitled to the benefit of any decrease in price on account of reduction in or remission of customs duty, GST or on account of any other Tax or duty or on any other ground as stipulated in the price variation clause or foreign exchange rate variation which takes place after (insert the original delivery date).

5. All other terms and conditions of the contract remain unaltered. This is without any prejudice to Buyer's rights under the terms and conditions of the subject contract.

6. Please intimate your unconditional acceptance of this amendment letter within 10 (ten) days of the issue of this letter failing which the contract will be cancelled at your risk and expense without any further reference to you.

Yours faithfully,
(Authorised Officer)
Duly authorised,
for and on behalf of
The President of India

Note: Select one option within { } brackets; delete portion within [] brackets, if not applicable; fill in () brackets. Brackets and this note are not to be typed.

Substitute following first para instead of first para in format above, for issuing a performance notice.

1. You have failed to deliver {the (fill in qty.) of Stores/the entire quantity of Stores} within the contract delivery period [as last extended up to] (fill in date). In spite of the fact that the time of delivery of the goods stipulated in the contract is deemed to be of the essence of the contract, it appears that (fill in the outstanding quantity) are still outstanding even though the date of delivery has expired. Although not bound to do so, the time for delivery is extended from (fill in date) to (fill in date) and you are requested to note that in the event of your failure to deliver the goods within the delivery period as hereby extended, the contract shall be cancelled for the outstanding goods at your risk and cost.

Annexure V to Appendix G
(Refers to Para 9 of RFP and Para 1.4 of Appendix G)

DELIVERY SCHEDULE AND STAGES OF PAYMENT

1. The broad guidelines for payments terms are appended in subsequent Paras.
2. **For Delivery in Lots/ Batches**

| Ser | Activity | Delivery Time-lines (T ₀ + Months) | Quantity | Scheme for Payment | Scheme for submission & Return of Advance Payment Bank Guarantees | Remarks |
|-----|--|---|---|--|---|---|
| (a) | Signing of contract | T ₀ | Nil | 15% of the Base Contract Price | APBG of equivalent amount to be submitted | |
| (b) | On Dispatch of all Equipment/System | | | | | |
| | (i) Main Equipment | T ₀ to T ₀ +12 | <ul style="list-style-type: none"> - 180 x LMs with HEAT warhead - 45 x GCS - 14 x Simulators - 14 x Training LMs | <ul style="list-style-type: none"> - 60% of Base Contract Price of deliverables (Less cost of MRLS, installation/ commissioning and training) and reimbursement of 100% taxes on pro rata basis. - Part-dispatch is permitted. However, min qty will not be less than 30 LMs & 07 GCS with associated accessories. - Corresponding / pro rata payment will be released. | | Part-dispatch as per given details is permitted |

| Ser | Activity | Delivery Time-lines (T ₀ + Months) | Quantity | Scheme for Payment | Scheme for submission & Return of Advance Payment Bank Guarantees | Remarks |
|-----|---|---|---|---|---|--|
| | (ii) Complete quantity of Technical Literature, Training Aggregates and SMTs/STEs | T ₀ to T ₀ +12 | Complete quantity | 60% of Base Contract Price of deliverables (less cost of MRLS, installation/ commissioning and training) and reimbursement of 100% taxes on pro rata basis | | To be delivered with first batch / lot |
| (c) | On Delivery of all Equipment/ System | | | | | |
| | (i) Main Equipment | T ₀ to T ₀ +12 | <ul style="list-style-type: none"> - 180 x LMs with HEAT warhead - 45 x GCS - 14 x Simulators - 14 x Training LMs | <ul style="list-style-type: none"> - 10% of Base Contract Price of deliverables on pro rata basis (less cost of MRLS, installation and commissioning and training). - Part-delivery is permitted. However, min qty will not be less than 30 LMs & 07 GCS with associated accessories. - Corresponding / pro rata payment will be released. | | Part-dispatch as per given details is permitted. |
| | (ii) Complete quantity of Technical Literature, Training Aggregates and SMT/STE | T ₀ to T ₀ +12 | Complete quantity | Balance 25% of Base Contract Price of deliverables on pro rata basis (less cost of MRLS, installation and commissioning and training) | | To be delivered with first batch / lot |

| Ser | Activity | Delivery Time-lines (T ₀ + Months) | Quantity | Scheme for Payment | Scheme for submission & Return of Advance Payment Bank Guarantees | Remarks |
|-----|---|---|--|---|---|---|
| (d) | Completion of Training | T ₀ to T ₀ +12 | | Balance 85% of the cost of Training on pro rata basis (less training of Warranty) and 100% of associated taxes | | Before Final Acceptance. |
| (e) | On Installation and Final Acceptance | | | | | |
| | Complete Equipment | T ₀ to T ₀ +12 | <ul style="list-style-type: none"> - 180 x LMs with HEAT warhead in Ammunition Depots - 45 x GCS on AFVs - 14 x Simulators in user units - 14 x Training LMs in user units | - Balance 15% of Base Contract Price of deliverables (less Technical Literature, Training Aggregates and ESP with relevant SMTs/STEs) and 85% of cost of Installation and reimbursement of 100% associated taxes on pro rata basis. | | |
| (f) | On Supply of MRLS | Between T ₀ + 42 and T ₀ + 48 | - MRLS for two years | <ul style="list-style-type: none"> - Balance 85% of Base Contract Price of MRLS - Reimbursement of 100% associated taxes on pro rata basis. | | Six months prior to expiry of warranty period |

| Ser | Activity | Delivery Time-lines (T ₀ + Months) | Quantity | Scheme for Payment | Scheme for submission & Return of Advance Payment Bank Guarantees | Remarks |
|-----|--|---|--|---|---|---|
| (g) | Completion of Training of Maintenance Personnel | Between T ₀ + 42 and T ₀ + 48 | - Training of 10 EME personnel at MCEME Secunderabad | - Balance 85% of Base Contract Price of training of Maintenance personnel & reimbursement of 100% associated taxes on pro rata basis. | | Six months prior to expiry of warranty period |
| (h) | Balance Payment (if any) | | | Reimbursement of all balance payment including taxes and duties, if any. | | |

Note:

1. Delivery completion includes transportation of supplies by the vendor up to the Consignee Location and successful JRI.
2. Final Acceptance includes complete fitment of CALM System on 45 AFVs and issue of Acceptance Certificate by Buyer.

Appendix H

(Refers to Para 48 and 56(b) of RFP)

EVALUATION CRITERIA AND PRICE BID FORMAT

1. **Evaluation Criteria.** The guidelines for evaluation of Bids will be as follows:-

1.1. Only those Bids will be evaluated, which are found to be fulfilling all the eligibility and qualifying requirements of the RFP, both technically and commercially. The bidder, whose price is arrived as lowest as per Evaluation criteria given in this Appendix, will be declared as L-1 bidder by Buyer.

1.2 **In 'Buy (Indian-IDDM)', 'Buy (Indian)' and 'Buy & Make Indian' Cases'.**

1.2.1 **Where DCF Technique as Given in Para 3 is Not Applicable.**

L-1 bidder will be determined on the basis of quoted cost of all items including taxes and duties payable to Central/ State/ Local Governments. ***The cost of equipment supplied by OFB/DPSU/Private vendor will be considered minus GST and other taxes and duties.***

1.2.2 **Where DCF Technique as Given in Para 3 is Applicable.**

DCF technique will be applied on quoted cost of all items including taxes and duties payable to Central/State/Local Governments to ascertain the NPV which would be used for determining L1 bidder. ***The cost of equipment supplied by OFB/ DPSU/ Private vendor will be considered minus GST and other taxes and duties.***

1.3 Custom duty on input materials shall not be loaded by the Indian Bidders in their price bids, if they are exempted under the existing Notifications. In such cases, necessary Custom Duty Exemption Certificate (CDEC) shall be issued by the Buyer. In cases where Custom Duty is not exempted, Basic Custom Duty on input material is to be included in the cost of Basic Equipment, Installation/Commissioning/Integration, BNE, ToT, MRLS, SMT, STE, ESP and any other item listed at Column (ii) of Para 2 below.

1.4 If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price will prevail and the total price will be corrected based on indicative rates of taxes and duties at columns (vi) and (vii) of Para 2 below. If there is a discrepancy between words and figures, the amount in words will prevail for calculation of price.

2. **Price Bid Format.** The Price Bid Format is given below and Bidders are required to fill this correctly with full details. No column of the Bid format has to be left blank. The clubbing of serials/sub serials to indicate a consolidated cost is not acceptable. Columns of 'quantity', 'unit cost', 'total cost (including all taxes and duties)', 'GST/IGST (%) and Custom Duty (%) are to be filled up with '0', 'positive numerical values' or 'Not Applicable' at every row as applicable. If any column is not applicable and intentionally left blank, the reason for the same has to be clearly indicated in the remarks column: -

PRICE BID FORMAT

| Ser | Items | Qty | Unit Cost | Total Cost (iii) x (iv) | Indicative Rate of Taxes & Duties used to arrive at Total Cost (as applicable) | | Total Cost (including all taxes & duties) (v) + (vi) + (vii) | Remarks (if any) |
|-----|---|------------|-----------|--------------------------------|--|-----------------------------------|---|------------------|
| | | | | | GST/IGST (%) (vi) | Custom Duty (%) (if any) (vii) | | |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) |
| A. | Cost of Basic Equipment . Full break-up details may be given:- | | | | | | | |
| | (i) CALM with HEAT warhead | 180 | | | | | | |
| | (ii) GCS with Antenna System | 45 | | | | | | |
| | (iii) Indoor Simulator | 14 | | | | | | |
| | (iv) Training CALM with inert warhead | 14 | | | | | | |
| B. | Cost of Installation/ Commissioning/ Integration of CALM System on 45 AFVs:- | | | | | | | |
| | (i) On ICV BMP-2K | 30 | | | | | | |
| | (ii) On Tank T-72 / T-90 | 15 | | | | | | |
| C. | Cost of Manufacturer's Recommended List of Spares as per the format given at Annexure I to Appendix E. | | | | | | | |
| D. | Cost of Special Maintenance Tools and Special Test Equipment as per format given at Annexure II to Appendix E. | | | | | | | |

| Ser | Items | Qty | Unit Cost | Total Cost (iii) x (iv) | Indicative Rate of Taxes & Duties used to arrive at Total Cost (as applicable) | | Total Cost (including all taxes & duties) (v) + (vi) + (vii) | Remarks (if any) |
|-----|--|-------|-----------|--------------------------------|--|--------------------------|---|--|
| | | | | | GST/IGST (%) | Custom Duty (%) (if any) | | |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) |
| E. | Cost of Operator's Manual and Technical Literature including Illustrated Spare Parts List as per Annexure III to Appendix E. | | | | | | | |
| F. | Cost of Training Aids as recommended by the supplier as per Annexure IV to Appendix E. | | | | | | | |
| G. | Cost of recommended period of Training in India excluding the cost of travel and boarding and lodging. This should be given as per Annexure IV to Appendix E. | | | | | | | |
| H. | Any other cost (to be specified) | | | | | | | |
| J. | Freight & Transit Insurance Cost (where applicable). | | | | | | | |
| K. | Total Cost (Total of Serial A to J) | | | | | | # | # This will be used in determining L1 vendor (duly applying provisions of Para 1 above). |

| Ser | Items | Qty | Unit Cost | Total Cost (iii) x (iv) | Indicative Rate of Taxes & Duties used to arrive at Total Cost (as applicable) | | Total Cost (including all taxes & duties) (v) + (vi) + (vii) | Remarks (if any) |
|-----|---|-------|-----------|--------------------------------|--|--------------------------|---|--|
| | | | | | GST/IGST (%) | Custom Duty (%) (if any) | | |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) |
| L. | Foreign Exchange component of the proposal (for Indian Vendors only) | | | | | | | This will be with reference to Para 1.2 of Appendix G. |
| M. | CDEC (if applicable) , its authority and amount for which required. | | | | | | | |

Total Cost: _____ (in figures)

Total Cost: _____ (in words)

Note:

Taxes and Duties. All Indirect Taxes and Duties will be paid at actuals or as indicated in the Commercial bid by the Bidder, whichever is lower. In case of any change in the tax structure/rates by BUYER's Government, only incremental/ decremented change will be paid.

3. **Evaluation of Bids by DCF Technique** -

3.1 **Net Present Value (NPV)** is a variant of DCF method, which will be used by the Buyer for evaluation of Bids. The Net Present Value of a Bid will be equal to the sum of the present values of all the cash flows associated with it. The following formula will be used for calculating NPV of a bid -

$$NPV_n = \sum_{t=1}^n \frac{A_t}{(1+r)^t}$$

Where,

NPV = Net Present Value

A_t = Expected cash flow occurring at the end of year 't' as mentioned in the Payment schedule of Bid

n = Duration of cash flow stream

r = Discounting Rate

t = The period after which payment is done

The bid with the lowest NPV would be selected.

3.2. The Discounting rate will be ___ %". (Note-This will be the Government of India's lending rate on loans given to state governments, as notified by Budget Division of Ministry of Finance annually)

3.3. **Structuring Cash Flows for Tenders/ Bids Received in the Same Currency.** The cash outflows as shown in price bids will be taken into consideration. NPV of different bids will be calculated using the formula given above and the one having lowest NPV will be selected as L-1.

3.4 **Structuring Cash Flows for Tenders/Bids Received in Different Currencies.** Where bids are received in different currencies/combination of currencies, the cash outflow will be brought to a common denomination in rupees by converting foreign currency bids into rupees by taking into account the BC selling rate of Parliament Street Branch of State Bank of India, New Delhi on the ERV reckoning date (as defined in Annexure I to Appendix M), i.e. the last date of submission of Commercial Bids as per RFP. Thereafter, the procedure as described above in Para 4.3 will be applied to arrive at NPV.

3.5 All bidders are required to indicate year-wise and currency-wise amount required as per their price bid in format given below. In case the firm a bidder does not provide year-wise cash flow details in price bid, the amount quoted in their price bid will not be discounted for comparison purposes.

| Year | Dollars | Euro | Pound Sterling | Rupees | Total Cash-flow |
|------|---------|------|----------------|--------|-----------------|
| | | | | | |
| | | | | | |
| | | | | | |

Appendix J
(Refers to Para 52 of RFP)

STANDARD CONDITIONS OF RFP

LAW

1. The present Contract shall be considered and made in accordance to the laws of Republic of India.

ARBITRATION

(For Indian Private Vendors)

2.1 All disputes or differences arising out of or in connection with the present Contract, including the one connected with the validity of the present Contract or any part thereof, shall be settled by bilateral discussions.

2.2 Any dispute, disagreement of question arising out of or relating to this Contract or relating to construction or performance (except as to any matter the decision or determination whereof is provided for by these conditions), which cannot be settled amicably, shall within sixty (60) days or such longer period as may be mutually agreed upon, from the date on which either party informs the other in writing by a notice that such dispute, disagreement or question exists, will be referred to the Arbitration Tribunal consisting of three arbitrators.

2.3 Within sixty (60) days of the receipt of the said Notice, one arbitrator shall be nominated in writing by SELLER and one arbitrator shall be nominated by BUYER.

2.4 The third arbitrator, shall be nominated by the parties within ninety (90) days of the receipt of the notice mentioned above, failing which the third arbitrator may be nominated under the provision of Indian Arbitration and Conciliation Act, 1996 (as amended from time to time) or by dispute resolution institutions like Indian Council of Arbitration or ICADR, at the request of either party, but the said nomination would be after consultation with both the parties. The arbitrator nominated under this Clause shall not be regarded nor act as an umpire.

2.5 The Arbitration Tribunal shall have its seat in New Delhi or such other place in India as may be decided by the arbitrator.

2.6 The Arbitration Proceedings shall be conducted in India under the Indian Arbitration and Conciliation Act, 1996 (as amended from time to time) and the award of such Arbitration Tribunal shall be enforceable in Indian Courts only.

2.7 The decision of the majority of the arbitrators shall be final and binding on the parties to this contract.

2.8 Each party shall bear its own cost of preparing and presenting its case. The cost of arbitration including the fees and expenses of the third arbitrator shall be shared equally by the SELLER and the BUYER.

2.9 In the event of a vacancy caused in the office of the arbitrators, the party which nominated such arbitrator, shall be entitled to nominate another in his place and the arbitration proceedings shall continue from the stage they were left by the retiring arbitrator.

2.10 In the event of one of the parties failing to nominate its arbitrator within sixty (60) days as above or if any of the parties does not nominate another arbitrator within sixty (60) days of the place of arbitrator falling vacant, then the other party shall be entitled after due notice of at least thirty (30) days to request dispute resolution institutions in India like Indian Council of Arbitration and ICADR to nominate another arbitrator as above.

2.11 If the place of the third arbitrator falls vacant, his substitute shall be nominated according to the provisions herein above stipulated.

2.12 The parties shall continue to perform their respective obligations under this contract during the pendency of the arbitration proceedings except in so far as such obligations are the subject matter of the said arbitration proceedings.

ARBITRATION

(For Defence PSUs)

3. In the event of any dispute or difference relating to the interpretation and application of the provisions of the contracts, such dispute or difference shall be referred by either party to the Arbitrator(s) appointed by Defence Secretary. The award of the Arbitrator(s) shall be binding upon the parties to the dispute.

FORCE MAJEURE

4.1 Should any force majeure circumstances arise, each of the contracting party shall be excused for the non-fulfilment or for the delayed fulfilment of any of its contractual obligations, if the affected party within 30 days of its occurrence informs in a written form the other party.

4.2 Force majeure shall mean fires, floods, natural disasters or other acts such as war, turmoil, strikes, sabotage, explosions, beyond the control of either party.

4.3 Provided the acts of The Government or any state parties of the seller which may affect the discharge of the Seller's obligation under the contract shall not be treated as Force Majeure.

PENALTY FOR USE OF UNDUE INFLUENCE

5.1 The Seller undertakes that he has not given, offered or promised to give, directly or indirectly any gift, consideration, reward, commission, fees brokerage or inducement to any person in service of the Buyer or otherwise in procuring the Contracts or forbearing to do or for having done or for borne to do any act in relation to the obtaining or execution of the Contract or any other Contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Government. Any breach of the aforesaid undertaking by the seller or any one employed by him or acting on his behalf (whether with or without the knowledge of the seller) or the commission of any offence by the seller or anyone employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act, 1988 or any other Act enacted for the prevention of corruption shall

entitle the Buyer to cancel the contract and all or any other contracts with the seller and recover from the seller the amount of any loss arising from such cancellation. A decision of the buyer or his nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the Seller.

5.2 Giving or offering of any gift, bribe or inducement or any attempt at any such act on behalf of the seller towards any officer/employee of the buyer or to any other person in a position to influence any officer/employee of the Buyer for showing any favour in relation to this or any other contract, shall render the Seller to such liability/penalty as the Buyer may deem proper, including but not limited to termination of the contract, imposition of penal damages, forfeiture of the Bank Guarantee and refund of the amounts paid by the Buyer.

INTEGRITY PACT

6.1 Further signing of an 'Integrity Pact' would be considered between government department and the bidder for schemes exceeding ₹ **20 Crores**. The Integrity Pact is a binding agreement between the agency and bidders for specific contracts in which the agency promises that it will not accept bribes during the procurement process and bidders promise that they will not offer bribes. Under the IP, the bidders for specific services or contracts agree with the procurement agency or office to carry out the procurement in a specified manner. The essential elements of the IP are as follows:-

- (a) A pact (contract) between the Government of India (Ministry of Defence) (the authority or the "principal") and those companies submitting a tender for this specific activity (the "bidders");
- (b) An undertaking by the principal that its officials will not demand or accept any bribes, gifts, etc., with appropriate disciplinary or criminal sanctions in case of violation;
- (c) A statement by each bidder that it has not paid and will not pay, any bribes;
- (d) An undertaking by each bidder that he shall not pay any amount as gift, reward, fees, commission or consideration to such person, party, firm or institution (including Agents and other as well as family members, etc., of officials), directly or indirectly, in connection with the contract in question. All payments made to the Agent 12 months prior to tender submission would be disclosed at the time of tender submission and thereafter an annual report of payments would be submitted during the procurement process or upon demand of the MoD.
- (e) The explicit acceptance by each bidder that the no-bribery commitment and the disclosure obligation as well as the attendant sanctions remain in force for the winning bidder until the contract has been fully executed;
- (f) Undertakings on behalf of a bidding company will be made "in the name and on behalf of the company's chief executive officer";
- (g) The following set of sanctions shall be enforced for any violation by a bidder of its commitments or undertakings:
 - (i) Denial or loss of contract;

- (ii) Forfeiture of the EMD (Pre-Contract) and Guarantee for Performance-cum-Warranty Bond (after signing of the contract).
 - (iii) Payment to the Buyer of any such amount paid as gift, reward, fees or consideration along with interest at the rate of 2% per annum above LIBOR rate.
 - (iv) Refund of all sums already paid by the Buyer along with interest at the rate of 2% per annum above LIBOR rate.
 - (v) Recovery of such amount, referred to in (iii) and (iv) above, from other contracts of the Seller with the Government of India.
 - (vi) At the discretion of the Buyer, the Seller shall be liable for action as per extant policy on Putting on Hold, Suspension and Debarment of Entities.
- (h) Bidders are also advised to have a company code of conduct (clearly rejecting the use of bribes and other unethical behaviour) and a compliance program for the implementation of the code of conduct throughout the company.
- (j) The draft Pre-Contract Integrity Pact is attached as **Annexure I to this Appendix**. The vendors are required to sign them and submit separately along with the technical and commercial offers.

6.2 In respect of bids from DPSUs, the concerned DPSU shall enter in to a Pre-Contract Integrity Pact, on the same lines with their sub-vendors individually, in case the estimated value of each sub-contract(s) exceeds ₹20 Crore and such subcontract(s) are required to be entered in to by the DPSU with a view to enable DPSU to discharge the obligations arising out of their bid in question in response to this RFP.

AGENTS

7. The Seller confirms and declares to the Buyer that the Seller is the original manufacturer of the stores referred to in this contract. The Seller confirms that he has not engaged any person, party, firm or institution as an Agent including his Agents already intimated to MoD; to, influence, manipulate or in any way to recommend to any functionaries of the Government of India, whether officially or unofficially, to the award of the contract to the Seller, or to indulge in corrupt and unethical practices. The Seller has neither paid, promised nor has the intention to pay to any person, party, firm or institution in respect of any such intervention or manipulation. The Seller agrees that if it is established at any time to the satisfaction of the buyer that the present declaration is in any way incorrect or if at a later stage it is discovered by the Buyer that Seller has engaged any such person, party, firm or institution and paid, promised or has intention to pay any amount, gift, reward, fees, commission or consideration to such person, party, firm or institution, whether before or after the signing of this contract, the Seller will be liable for any or all of the following actions:-

- (a) To pay to the Buyer any such amount paid as gift, reward, fees or consideration along with interest at the rate of 2% per annum above LIBOR rate.

(b) The Buyer will also have a right to put on hold or cancel the Contract either wholly or in part, without any entitlement or compensation to the Seller who shall in such event be liable to refund all payments made by the Buyer in terms of the Contract along with interest at the rate of 2% per annum above LIBOR rate

(c) The Buyer will also have the right to recover any such amount referred in (a) and (b) above from other contracts of the Seller with the Government of India.

(d) At the discretion of the Buyer, the Seller shall be liable for action as per extant policy on Putting on Hold, Suspension and Debarment of Entities

8. In case it is found to the satisfaction of the BUYER that the SELLER has engaged an Agent, or paid commission or influenced any person to obtain the contract as described in clauses relating to Agents and clauses relating to Penalty for Use of Undue Influence, the SELLER, on demand of the BUYER shall provide necessary information/inspection of the relevant financial documents/ information, including a copy of the contract(s) and details of payment terms between the vendors and Agents engaged by him.

Annexure I to Appendix J
(Refers to Para 21 of RFP
Para 6.1 (j) of Appendix J)

PRE-CONTRACT INTEGRITY PACT

General

1. Whereas the PRESIDENT OF INDIA, represented by Joint Secretary & Acquisition Manager (Army/Air Force/Maritime & Systems)/Major General & equivalent, Service Headquarters./Coast Guard, Ministry of Defence, Government of India, hereinafter referred to as the Buyer and the first party, proposes to procure (Name of the Equipment), hereinafter referred to as Defence Stores and M/s _____

represented by, _____ Chief Executive Officer (which term, unless expressly indicated by the contract, shall be deemed to include its successors and its assignees), hereinafter referred to as the Bidder/Seller and the second party, is willing to offer/has offered the Defence stores.

2. Whereas the Bidder is a private company/ public company/ partnership/ registered export agency, constituted in accordance with the relevant law in the matter and the Buyer is a Ministry of the Government of India performing its functions on behalf of the President of India.

Objectives

3. Now, therefore, the Buyer and the Bidder agree to enter into this pre-contract agreement, hereinafter referred to as Integrity Pact, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to:

3.1 Enabling the Buyer to obtain the desired defence stores at a competitive price in conformity with the defined specifications of the Services by avoiding the high cost and the distortionary impact of corruption on public procurement

3.2 Enabling Bidders to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices and the Buyer will commit to prevent corruption, in any form, by their officials by following transparent procedures.

Commitments of the Buyer

4. The Buyer commits itself to the following:-

4.1 The Buyer undertakes that, no official of the Buyer, connected directly or indirectly with the contract will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organisation or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the Contract.

4.2 The Buyer will, during the pre-contract stage, treat all Bidders alike and will provide to all Bidders the same information and will not provide any such information to any particular Bidder which could afford an advantage to that particular Bidder in comparison to other Bidders.

4.3 All the officials of the Buyer will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

5. In case of any such preceding misconduct on the part of such official(s) is reported by the Bidder to the Buyer with full and verifiable facts and the same is prima facie found to be correct by the Buyer, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the Buyer and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the Buyer the proceedings under the contract would not be stalled.

Commitments of Bidders

6. The Bidder commits himself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of his bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commits himself to the following:

6.1 The Bidder will not to offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Buyer, connected directly or indirectly with the bidding process, or to any person, organisation or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the Contract.

6.2 The Bidder further undertakes that he has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Buyer or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the Contract or any other Contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Government.

6.3 The Bidder will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.

6.4 The Bidder will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.

6.5 The Bidder further confirms and declares to the Buyer that the Bidder is the original manufacturer/integrator/authorised government sponsored export entity of the Defence stores and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the Buyer or any of its functionaries, whether officially or unofficially to the award of the contract to the Bidder, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company or Agent in respect of any such intercession, facilitation or

recommendation.

6.6 The bidder would not enter into conditional contract with any Agents, brokers or any other intermediaries wherein payment is made or penalty is levied, directly or indirectly, on success or failure of the award of the contract. The bidder while presenting the bid, shall disclose any payments he has made during the 12 months prior to tender submission or is committed to or intends to make to officials of the buyer or their family members, Agents, brokers or any other intermediaries in connection with the contract and the details of such services agreed upon for such payments. Within the validity of PCIP, bidder shall disclose to MoD any payments made or has the intention to pay any amount, gift, reward, fees, commission or consideration to such person, party, firm or institution as an annual report during the procurement process.

6.7 The Bidder shall not use improperly, for purposes of competition or personal gain or pass on to others, any information provided by the Buyer as part of the business relationship regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The Bidder also undertakes to exercise due and adequate care lest any such information is divulged.

6.8 The Bidder commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts. Complaint will be processed as per **Guidelines for Handling of Complaints** in vogue. In case the complaint is found to be vexatious, frivolous or malicious in nature, it would be construed as a violation of Integrity Pact.

6.9 The Bidder shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.

7. **Previous Transgression**

7.1 The Bidder declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India.

7.2 If the Bidder makes incorrect statement on this subject, Bidder can be disqualified from the tender process or the contract and if already awarded, can be terminated for such reason.

8. **Bid Security: Earnest Money Deposit**

8.1 Every bidder, while submitting commercial bid, shall submit Bid Security in the form of Earnest Money Deposit (EMD), in cases where applicable (as provided in Clause 8 herein).

(a) To safeguard against a bidder(s) withdrawing or altering its bid during the bid validity period, Bid Security (also known as EMD) of **₹ 70 Lakhs** is to be submitted by all bidders.

(b) EMD is not required from Micro and Small Enterprises (MSEs) as defined in MSE Procurement Policy issued by Department of Micro, Small and Medium Enterprises (MSME) or are registered with the Central Purchase Organisation or the concerned Ministry or Department or Start-ups as recognised by Department of Industrial Policy &

Promotion (DIPP), in accordance with the Ministry of Finance office memorandum bearing No. No. F.20/2/2014-PPD (Pt.) dated July 25, 2017 (as amended from time to time).

(c) DPSUs will submit all BGs and EMD as applicable as the procurement is a multi-vendor cases with private vendors.

(d) **Format of EMD.** The Bid Security will be accepted in the following forms, safeguarding the Buyer's interest in all respect: -

(i) Bank Guarantee from any Indian Public or Private Scheduled Commercial Bank notified by RBI or first-class banks of international repute. The format of the Bank Guarantee for Bid Security is provided at **Annexure 1 to Appendix J.**

(ii) Insurance Surety Bond - The format and guidelines pertaining to the same shall be issued / notified by the Ministry of Defence.

(iii) Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque shall be payable in an acceptable form. The Beneficiary Bank Details for furnishing the same are as follows:

-

(IFSC Code - SBIN0000691)
State Bank of India New Delhi Main Branch
C Block, 11 Parliament Street
New Delhi, Pin: 110001

(e) **Validity of EMD.** The EMD will be valid for eighteen months or till signing of contract, whichever is later. The EMD shall be extended from time to time as required by the Buyer and agreed by the Bidder. No interest shall be payable by the Buyer to the Bidder(s) on the EMD for the period of its currency. For unsuccessful bidders EMD will be returned on declaration of successful bidder(s).

(f) **Instances of Forfeiture of EMD.**

(i) If the Bidder withdraws or amends, impairs or derogates from the Bid in any respect within the period of validity of this tender.

(ii) If the Bidder having been notified of the acceptance of its tender by the Buyer during the period of its validity.

(aa) If the Bidder fails to furnish the Performance Security for the due performance of the contract.

(ab) Fails or refuses to accept/ execute the contract.

(iii) In case of violation of Pre-Contract Integrity Pact, EMD will be forfeited besides other legal penalties as may be decided by the Ministry of Defence.

8.2 In the case of successful bidder a clause would also be incorporated in the Article pertaining to Performance-cum-Warranty Bond in the Purchase Contract that the provisions of Sanctions for Violation shall be applicable for forfeiture of Performance Bond in case of a decision by the Buyer to forfeit the same without assigning any reason for imposing sanction for violation of this pact.

8.3 The provisions regarding Sanctions for Violation in Integrity Pact include forfeiture of Performance-cum-Warranty Bond in case of a decision by the Buyer to forfeit the same without assigning any reason for imposing sanction for violation of Integrity Pact.

8.4 No interest shall be payable by the Buyer to the Bidder(s) on IPBG for the period of its currency.

9. **Company Code of Conduct**

9.1 Bidders are also advised to have a company code of conduct (clearly rejecting the use of bribes and other unethical behaviour) and a compliance program for the implementation of the code of conduct throughout the company.

10. **Sanctions for Violation**

10.1 Any breach of the aforesaid provisions by the Bidder or any one employed by him or acting on his behalf (whether with or without the knowledge of the Bidder) or the commission of any offence by the Bidder or any one employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act 1988 or any other act enacted for the prevention of corruption shall entitle the Buyer to take all or any one of the following actions, wherever required:

(i) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the Bidder. However, the proceedings with the other Bidder(s) would continue.

(ii) The EMD for pre contract period/Performance-cum-Warranty Bond post signing of the Contract shall stand forfeited either fully or partially, as decided by the Buyer and the Buyer shall not be required to assign any reason therefore.

(iii) To immediately cancel the contract, if already signed, without any compensation to the Bidder.

(iv) To recover all sums already paid by the Buyer, in case of an Indian Bidder with interest thereon at 2% higher than the prevailing Base Rate of SBI and in case of a Bidder from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the Bidder from the Buyer in connection with any other contract for any other defence stores, such outstanding payment could also be utilised to recover the aforesaid sum and interest.

(v) To encash the advance bank guarantee and Performance-cum-Warranty Bond if furnished by the Bidder, in order to recover the payments, already made by the Buyer, along with interest.

(vi) To cancel all or any other Contracts with the Bidder.

(vii) To Put on Hold or Suspend or Debar the bidder as per the extant policy.

(viii) To recover all sums paid in violation of this Pact by Bidder(s) to any Agent or broker with a view to securing the contract.

(ix) If the Bidder or any employee of the Bidder or any person acting on behalf of the Bidder, either directly or indirectly, is closely related to any

of the officers of the Buyer, or alternatively, if any close relative of an officer of the Buyer has financial interest/stake in the Bidder's firm, the same shall be disclosed by the Bidder at the time of filing of tender. Any failure to disclose the interest involved shall entitle the Buyer to debar the Bidder from the bid process or rescind the contract without payment of any compensation to the Bidder. The term '**close relative**' for this purpose would mean spouse whether residing with the Government servant or not, but not include a spouse separated from the Government servant by a decree or order of a competent court; son or daughter or step son or step daughter and wholly dependent upon Government servant, but does not include a child or step child who is no longer in any way dependent upon the Government servant or of whose custody the Government servant has been deprived of by or under any law; any other person related, whether by blood or marriage, to the Government servant or to the Government servant's wife or husband and wholly dependent upon Government servant.

(x) The Bidder shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the Buyer and if he does so, the Buyer shall be entitled forthwith to rescind the contract and all other contracts with the Bidder. The Bidder shall be liable to pay compensation for any loss or damage to the Buyer resulting from such rescission and the Buyer shall be entitled to deduct the amount so payable from the money(s) due to the Bidder.

(xi) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the Buyer with the Bidder, the same shall not be opened.

10.2 The decision of the Buyer to the effect that a breach of the provisions of this Integrity Pact has been committed by the Bidder shall be final and binding on the Bidder, however, the Bidder can approach the Independent Monitor(s) appointed for the purposes of this Pact.

11. **Fall Clause**

11.1 The Bidder undertakes that he has not supplied/is not supplying the similar products, systems or subsystems at a price lower than that offered in the present bid in respect of any other Ministry/Department of the Government of India and if it is found at any stage that the similar system or sub-system was supplied by the Bidder to any other Ministry/Department of the Government of India at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in the cost would be refunded by the Bidder to the Buyer, even if the contract has already been concluded.

11.2 The Bidder shall strive to accord the most favoured customer treatment to the Buyer in respect of all matters pertaining to the present case.

12. **Independent Monitors**

12.1 The Buyer has appointed Independent Monitors for this Pact in consultation with the Central Vigilance Commission. The names and addresses of nominated Independent Monitors (at the time of issue of RFP)

are as follows (however the vendor must refer to the MoD website at www.mod.nic.in to check for changes to these details):-

- (a) Shri Arvind Kumar Awasthi, IAAS: 1975 (Retd)
A-3/2, Yarrows Apartments, C-85/5,
Sect-62, Noida
Email- arvind.awasthi@gov.in
- (b) Shri AK Manchanda, IRS: 1976 (Retd)
B3/60, 3rd Floor, Safdarjung Enclave,
New Delhi-110029
Email- ashokkmanchanda@gmail.com

12.1.1 All communications to Independent Monitors will be copied to Director (Vigilance). The Designation and Contact details of Director (Vigilance) are as follows:-

Director (Vigilance)
Room No 340,
B Wing, Sena Bhawan
New Delhi 110011
Tele No - 011 – 23012304

12.2 After the Integrity Pact is signed, the Buyer shall provide a copy thereof, along with a brief background of the case to the Independent Monitors, if required by them.

12.3 The Bidder(s), if they deem it necessary, may furnish any information as relevant to their bid to the Independent Monitors.

12.4 If any complaint with regard to violation of the IP is received by the buyer in a procurement case, the buyer shall refer the complaint to the Independent Monitors for their comments/enquiry.

12.5 If the Independent Monitors need to peruse the relevant records of the Buyer in connection with the complaint sent to them by the Buyer, the Buyer shall make arrangement for such perusal of records by the Independent Monitors.

12.6 The report of enquiry, if any, made by the Independent Monitors shall be submitted to the head of the Acquisition Wing of the Ministry of Defence, Government of India for a final and appropriate decision in the matter keeping in view the provision of this Pact.

13. **Examination of Books of Accounts.** In case of any allegation of violation of any provisions of this Integrity Pact or payment of commission, the Buyer or its agencies shall be entitled to examine the Books of Accounts of the Bidder and the Bidder shall provide necessary information of the relevant financial documents in English and shall extend all possible help for the purpose of such examination.

14. **Law and Place of Jurisdiction.** This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the Buyer i.e. New Delhi.

15. **Other Legal Actions.** The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

16. **Validity**

16.1 The validity of this Integrity Pact shall be from date of its signing and extend up to 5 years or the complete execution of the contract to the satisfaction of both the Buyer and the Bidder/Seller, whichever is later.

16.2 Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

17. The Parties hereby sign this Integrity Pact at _____ on

BUYER

MINISTRY OF DEFENCE,
GOVERNMENT OF INDIA

Witness

1. _____

2. _____

BIDDER

CHIEF EXECUTIVE OFFICER

Witness

1. _____

2. _____

EMD BANK GUARANTEE FORMAT

Whereas(hereinafter called the "Bidder") has submitted their offer dated.....for the supply of (hereinafter called the "Bid") against the Buyer's Request for proposal No. KNOW ALL MEN by these presents that WEof having our registered office at are bound unto (hereinafter called the "Buyer") in the sum of for which payment will and truly to be made to the said Buyer, the Bank binds itself, its successors and assigns by these presents.

Sealed with the Common Seal of the said Bank this..... day of20.....

The conditions of obligations are:-

- (1) If the Bidder withdraws or amends, impairs or derogates from the Bid in any respect within the period of validity of this tender.
- (2) If the Bidder having been notified of the acceptance of his tender by the Buyer during the period of its validity.
 - (a) If the Bidder fails to furnish the Performance Security for the due performance of the contract.
 - (b) Fails or refuses to accept/execute the contract.
- (3) If the bidder violates Pre-Contract Integrity Pact.

WE undertake to pay the Buyer up to the above amount upon receipt of its first written demand, without the Buyer having to substantiate its demand, provided that in its demand the Buyer will note that the amount claimed by it is due to it owing to the occurrence of above mentioned conditions, specifying the occurred condition or conditions.

This guarantee will remain in force Up-to and including 45 days after the period of 18 months/ contract signing whichever is later and any demand in respect thereof should reach the Bank not later than the above date.

.....
(Signature of the authorized officer of the Bank)

Name and designation of the officer

Seal, name & address of the Bank and address of the Branch

Appendix K
(Refers to Para 6 of RFP)

CRITERIA FOR VENDOR SELECTION / PRE-QUALIFICATION
FOR - RFP ISSUE / INCLUSION IN RFP REQUIREMENTS

1. The following parameters for Vendor Selection Criteria will be applicable: -

| <u>Ser</u> | <u>Parameter</u> | <u>Vendor Selection Criteria</u> |
|-------------------|---------------------------------|---|
| 1 | Financial | |
| | (a) Credit Rating | (i) Long term credit rating equivalent to CRISIL rating on Corporate Credit Scale of CCR-BBB or better and SME-04 or better for SMEs issued by credit rating agencies recognised by SEBI. Credit rating should be as on 31st March of the previous financial year (ii) Above mentioned Credit Rating is not applicable to Start-ups/ Micro category. |
| | (b) Average Annual Turn Over | (i) Min Average Annual Turnover for last 03 financial years, ending 31st March of the previous financial year, should not be less than ₹60 Crores . (ii) Above mentioned Average Annual Turn Over is not applicable to Start-ups/ Micro category. |
| | (c) Net Worth | (i) Net worth of entities, ending 31st March of the previous financial year, should not be less than ₹10 Crores . (ii) The above Net-worth is not applicable to Start-ups/ Micro category. However, net-worth of entity should not be negative. |
| | (d) Insolvency | The entity should not be under insolvency resolution as per Indian Bankruptcy Code (IBC) at any stage of procurement process from the issuing of RFP to the signing of contract. |
| 2 | Technical | |
| | (a) Nature of Business | Manufacturing entity or System Integrator of defence equipment with assembly / integration plant located in India. Should not be a trading company, except in cases where OEM participates only through its authorised Vendors. |
| | (b) Experience in related field | Min 02 Years experience in broad areas like manufacturing/ engineering/ electronics and explosives as applicable for Loitering Munitions Systems . If not, then cumulative experience of at least three years in above areas, resulting in gaining of competence for manufacturing Loitering Munitions. |
| 3 | Others | |
| | (a) Industrial License | Possess or be in the process of acquiring a license, if the product under project requires license as per DIPP licensing policy. |
| | (b) Registration | Registered for Min 02 Years, 01 year for MSMEs and Start-ups. |

Appendix L

(Refers to Para 41 of RFP)

QA INSTRUCTIONS AND GUIDELINES FOR FRAMING DRAFT ACCEPTANCE TEST PROCEDURE (ATP)**GUIDELINES FOR FRAMING DRAFT ATP: CALM SYSTEM WITH ACCESSORIES**

Draft Acceptances Test Procedure (ATP) for the Equipment/System should mainly consist of the following:-

1. **Scope & Introduction.** Includes the scope, introduction & purpose of the document and general information about the equipment.
2. **Brief Description of the Equipment / System.** Brief description of the equipment / system be highlighted indicating the salient features, equipment / system configuration, interfaces involved and its compatibility and role in the main system where it is intended to be used.
3. **ATP through Certification.** Being an Emergency Procurement, during PDI the ATP is desired to be conducted through Certification for maximum parameters. Bidders are required to provide inputs on types Certification that can be provided for each parameter mentioned in the Operational Requirements (ORs) mentioned at **Appendix A** to this RFP. Following types of certification shall be acceptable:-
 - (a) **Certificate of Conformance (CoC).** Certificate of Conformance (CoC) will be a certificate accompanied with Test Report from DGQA, DRDO or any Govt/ NABL/ international accredited lab. Certificate from OEM/ International Agencies also accepted for COTS/ Military COTS equipment. Test Report submitted should have some traceability to the equipment submitted for Validation / Demonstration as part of Technical Evaluation of RFP Response.
 - (b) **Vendor Certification.** This certificate may be issued either by Vendor / OEM. However, the certificates should also consist of Test Reports (where mentioned in Methodology / ATP) and relevant technical details of the said parameter like weight/ mass, material composition, safety features, minimum endurance, durability/ environmental standards etc (if applicable) that are not included in the ORs.
4. **ATP through Physical Checks.** To ensure Seller provides equipment as per Contract, ATP of certain critical parameters will be required to be undertaken through physical checks during PDI and JRI. Bidders are required to provide inputs on which ORs mentioned at **Appendix A** to this RFP could be checked physically during PDI and also give out method of undertaking these Physical Checks.
5. **Safety / Security Aspects.** To be elucidated if any.
6. **Technical Specifications (TS).** TS of the equipment be indicated along with dimension, weight of the equipment etc. Operational requirements & pictorial representation of the equipment/ system be provided under this section. Reference documents including list of drawing, related standards, specifications etc should also be provided.

7. **Bill of Materials (BoM).**

(a) BoM as per the following format to be submitted by the vendor:-

| Ser No | Item Name / Description | Part Number | NSN Details | Drawing Number | Manufacturer | Scheme Reference |
|--------|-------------------------|-------------|-------------|----------------|--------------|------------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) |

| Standard of References | Qty Nos | Military/Industrial / Commercial |
|------------------------|---------|----------------------------------|
| (h) | (j) | (k) |

8. **Test Instruments / Accessories Required (if any).** Test Instruments / accessories required (if any) for conduct of ATP be mentioned along with Part Number, Make/Model etc.

9. **Qualification / Environmental Tests.** Details of applicable class from relevant JSS, PRF & IS standards for Environmental / Durability Test along with Test Severities and procedures followed in case conduct of the test is required during ATP. Pre, In-situ & post performances test to check the performances of the equipment be also included. In case Certificate of Conformance (CoC) are being submitted for durability / QA aspects, these should be accompanied with Test Report from DGQA, DRDO or any Govt/ NABL/ international accredited lab. For COTS/ Mil COTS equipment, Certificate from OEM/ International Agencies would also be accepted. Test Report submitted with CoC should have some traceability to the equipment submitted for Validation / Demonstration as part of Technical Evaluation of RFP Response.

10. **Acceptance / Performances Tests.** Includes the visual checks, dimension check, safety aspects, with vacuity, camouflage pattern as per all terrain along with test reports showing compliance with all measurable parameters of ORs within specified limits. Final acceptance / performances checks come under this section.

11. **Applicability of Endurance Test.** Procedures for carrying out the Endurances test (if applicable) be included.

12. **ATP Report.** ATP report should be formalised in the following format:-

| <u>SN</u> | <u>Parameters</u> | <u>ORs</u> | <u>ATP through Vendor Certificate, CoC or Physical Test</u> | <u>Sample Nos</u> | <u>How ATP will be Conducted</u> | <u>Observed Value</u> | <u>Compliant/ Not Compliant (C / NC)</u> | <u>Remarks</u> |
|-----------|-------------------|------------|---|-------------------|----------------------------------|-----------------------|--|----------------|
| | | | | | | | | |

Note : Testing charges to be borne by the Vendor for the test facilities not available with DGQA.

Appendix M

(Refers to Para 53 of RFP)

DOCUMENTS TO BE SUBMITTED BY THE BIDDER ALONG WITH THEIR TECHNO-COMMERCIAL PROPOSALS

The list of documents which needs to be mandatorily submitted by the Bidders as part of Technical Proposal are placed below. Non-submission of the documents may result in disqualification of the Bidder from the bidding process.

| Ser No. | Reference | Document Description |
|----------------|----------------------------|--|
| 1. | Para 5 (a) of RFP | Declaration by Bidder: Debarment of vendors |
| 2. | Para 18 of RFP | Declaration by Bidder: Government Regulations |
| 3. | Para 19 of RFP | Declaration by Bidder: Obligations Relevant to Transfer of Conventional Arms |
| 4. | Para 20 of RFP | Declaration by Bidder: Patent Rights |
| 5. | Para 22 of RFP | Declaration by Bidder: Fall Clause |
| 6. | Para 29 of RFP | Technical document covering performance parameters. |
| 7. | Appendix B | Compliance Table |
| 8. | Appendix C | Warranty Clause |
| 9. | Appendix D | Certificate: Malicious Code |
| 10. | Annexure I to Appendix E | Manufacturer's Recommended List of Spares (MRLS) |
| 11. | Annexure II to Appendix E | List of SMT/STEs, Jigs, Fixture and Infrastructure |
| 12. | Annexure III to Appendix E | Technical Literature |
| 13. | Annexure IV to Appendix E | Training Aggregates |
| 14. | Appendix H | Price Bid |
| 15. | Annexure I to Appendix J | Pre-Contract Integrity Pact |
| 16. | Annexure I to Appendix J | EMD |

GLOSSARY

| | |
|-------|--|
| AMC | Annual Maintenance Contract |
| AoN | Acceptance of Necessity |
| ATP | Acceptance Test Procedure |
| CALM | Canister-launched Loitering Munition |
| CAMC | Comprehensive Annual Maintenance Contract |
| CKD | Completely Knocked Down |
| CNC | Contract Negotiation Committee |
| DAC | Defence Acquisition Council |
| DGAQA | Director General of Aeronautical Quality Assurance |
| DGNAI | Director General Naval Armament Inspectorate |
| DGQA | Director General of Quality Assurance |
| DPB | Defence Procurement Board |
| DAP | Defence Acquisition Procedure |
| DRDO | Defence Research and Development Organisation |
| EMC | Electro Magnetic Compatibility |
| EMD | Earnest Money Deposit |
| EMI | Electro Magnetic Interference |
| EPP | Enhanced Performance Parameters |
| ESP | Engineering Support Package |
| FET | Field Evaluation Trials |
| Gol | Government of India |
| HEAT | High Explosive Anti-Tank |
| IC | Indigenous Content |
| ICG | Indian Coast Guard |
| IDDM | Indigenously Designed & Developed Manufactured |
| ICV | Infantry Combat Vehicle |
| IM | Indigenously Manufactured |

| | |
|-------|---|
| IP | Integrity Pact |
| LM | Loitering Munition |
| LRU | Line Replaceable Unit |
| MET | Maintainability Evaluation Trial |
| MoD | Ministry of Defence |
| MRLS | Manufacturer Recommended List of Spares |
| M-ToT | Maintenance Transfer of Technology |
| NCNC | No Cost No Commitment |
| OEM | Original Equipment Manufacturer |
| OTE | Open Tender Enquiry |
| PA | Production Agency |
| PCIP | Pre-Contract Integrity Pact |
| QA | Quality Assurance |
| RFP | Request for Proposal |
| SPB | Services Procurement Board. |
| SHQ | Service Headquarters |
| SKD | Semi Knocked Down |
| SRU | Shop Replaceable Unit |
| TEC | Technical Evaluation Committee |
| ToT | Transfer of Technology |